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Yeltsin Sends Letter to UN's Butrus Ghali

PM3101130292 Moscow ROSSIYSKAYA GAZETA in Russian 31 Jan 92 First Edition pp 1, 3

[Letter from Russian Federation President B. Yeltsin under the rubric "Russia and the World": "To His Excellency Butrus Ghali, UN Secretary General, New York"]

[Text] Esteemed Secretary General:

Among the tasks facing a Russia which has slipped the fetters of totalitarianism and is being born again to freedom and democracy, the determination of its role in maintaining and strengthening international peace and security—not least in the light of the special responsibility incumbent on Russia by dint of its status as a permanent member of the UN Security Council—is of the greatest importance.

Located at the crossroads of Europe and Asia, on a territory which is the homeland of many peoples in several continents, Russia must finally fulfill its unique, historic mission of being the link between East and West.

Resolution of this key task presupposes the fulfillment of two most important conditions—safeguarding stability within the former USSR and organizing constructive collaboration with other states to strengthen international security.

The steps taken by Russia, Belarus, Kazakhstan, and Ukraine to ensure reliable unified control of nuclear weapons and the prevention of nuclear proliferation, and the actions we are taking to preserve the core of the Joint Armed Forces with a unified command and to promote interethnic harmony constitute recognition of this lofty responsibility.

Together with the other members of the international community, Russia is prepared to make its weighty contribution to the shaping of a single global cooperation and security area. We intend to follow this long-term guideline in formulating and implementing our policy in the arms limitation and reduction sphere.

The rapid march of freedom, which overturned the remnants of imperial structures in just a few months, has with a historical inevitability restored to Russians the real values shared by the rest of the civilized world—freedom of the individual, freedom of choice, initiative, and enterprise, and the supremacy of the law.

The "iron curtain" which, reinforced by a "siege mentality" doctrine imposed on the people, had cut us off from the rest of the world, has finally crumbled.

Healing the artificial rift that had split the world into two enemy camps is the great event of the end of the 20th century. The world is regaining its unity on the firm foundation of democratic values and human rights. Mankind is entering a new era.

In the context of the qualitatively new political realities now emerging, a fundamental reevaluation by the international community of the problems of safeguarding international and national security is required.

As far as Russia is concerned, the concept of its general national [obshchenatsionalnyy] security will henceforth rest on the principles of effective global and regional military-political stability.

The building of a new world order based on common democratic values and legal norms will require that all states adopt radical measures to dismantle excess military potentials that have been maintained out of inertia, and reduce them to levels where the peoples will finally be freed from all fear of the possible destruction of human civilization itself.

While moving toward a humane and demilitarized world order, we naturally have no right to ignore the challenges which may be willfully thrown down to the international community and to stability and prosperity worldwide by certain irresponsible politicians. The unified and indivisible peace whose creation is advocated by Russia and all the CIS [Commonwealth of Independent States] states presupposes the existence of effective mechanisms to counter any acts of aggression and international lawlessness. National armed forces structures should be geared more than they are at present to the goals of safeguarding collective security. Proceeding on this basis, Russia will promote in every possible way the further strengthening of the role of the United Nations and its peacekeeping institutions—including, if necessary, providing its own Armed Forces under constitutional procedures for participation in corresponding international action.

Russia states that it is prepared to cooperate in this direction with all states and international organizations. It confirms that it will not use armed force against any other state or states under any circumstances—save in response to aggression against it or its friends and allies—and will not be the first to use nuclear weapons.

A key avenue in our efforts to create a single global security area will be active participation in and promotion of the arms limitation and reduction process.

Disarmament is a traditional Russian priority. It goes back to The Hague conferences which were initiated by Russia at the end of last century and the start of this century. And today we see disarmament as one of the most important tools in safeguarding national security and strengthening international peace and stability.

As the successor state [gosudarstvo-prodolzhatel] to the former USSR, Russia reaffirms all commitments under existing and signed bilateral and multilateral treaties and agreements in the arms limitation and disarmament sphere and will unswervingly observe them.

In the military-political and military-strategic sphere we will firmly adhere to the following long-term guidelines.

We will build our Armed Forces in such a way as to ensure that they cannot be used for purposes other than defense and peacekeeping operations in accordance with decisions made by the international community.

En route to the complete elimination of nuclear weapons everywhere, we will strive to cut nuclear forces to the minimum level able to guarantee the prevention of war. And any incentive to launch a first disabling strike should be ruled out.

We are no longer enemies of the United States and the other NATO countries and we consider it outdated to be each other's nuclear targets. We must resolutely eschew this legacy of the period of confrontation and cold war by means of joint efforts. The processes of nuclear disarmament, the need for which we are being made to face so pressingly by the interests of the world's peoples, will be incomplete and inadequate if implemented solely within the framework of relations between Russia and the United States. The other nuclear powers—China, Britain, and France—should not remain aloof and build up their offensive nuclear arsenals in an uncontrolled manner, which could destabilize the international situation in the very near future. They should also participate in the processes of real nuclear disarmament.

Along with nuclear weapons we advocate the complete elimination of all other kinds of mass destruction weaponry under effective verification.

We advocate the adoption of effective measures to strengthen the nonproliferation regime for nuclear and other mass destruction weapons and delivery systems.

We are committed to ensuring the utmost reciprocal openness, predictability, and confidence-building measures in the military sphere, including military doctrines, defense budgets, plans for armed forces building and operations, and the international arms trade.

We are open to cooperation in drawing up additional measures aimed at preventing the outbreak of war as a result of an accident, miscalculation, or terrorism, and at ruling out military incidents.

We will promote and participate in the creation of collective security structures based on the UN Charter.

The vision of the aforesaid long-term guidelines in the disarmament sphere dictates the need for the speediest adoption of a range of effective measures—both in collaboration with our partners and unilaterally—in all key areas of the arms limitation and reduction process.

In the Sphere of Strategic Offensive Arms

The START Treaty has been submitted to the Russian Federation Supreme Soviet for ratification. The treaty ratification process has also begun in the United States.

Russia advocates that we should not rest on our laurels but, together with the United States, move forward at increasing speed along the road of cutting back excess military structures—above all, nuclear structures. We have already adopted a whole series of major unilateral measures as a development of the START Treaty. Around 600 strategic ballistic missiles have been stood down, a whole series of military programs to develop [sozdaniye] new types of strategic offensive arms have been halted, and measures have been taken to enhance strategic stability and predictability.

As you can see, the policy of setting a good example in relations between Russia and the United States in cutting nuclear arsenals is already producing real results, and it should be developed in every possible way.

Guided by this aim, we have made a decision about new initiatives designed to expedite the nuclear disarmament process. Moreover, I have sent to President G. Bush Russia's proposal on new, deep strategic offensive arms cuts.

As a result of our proposed cuts each side would be left with a total of 2,000-3,000 strategic nuclear weapons. In other words, current Russian and U.S. strategic arsenals would be reduced manyfold.

I also intend to discuss in detail and in a constructive spirit questions of new deep cuts to strategic offensive arms at my coming Camp David meeting with President G. Bush.

In the Tactical Nuclear Weapons Sphere

We have already adopted, in parallel with the United States, major measures to cut tactical nuclear weapons too. The former USSR's weaponry of this kind is currently located on the territory of three states—Russia, Belarus, and the Ukraine. In line with the agreement between the CIS states all tactical nuclear munitions will be moved to Russia by 1 July 1992.

Production of nuclear warheads for ground-launched tactical missiles, artillery shells, and nuclear landmines has been halted. Stockpiles of these tactical nuclear weapons will be eliminated.

I would also state that Russia is eliminating a third of its sea-launched tactical nuclear weapons and half of its nuclear warheads for surface-to-air missiles. We have also taken measures in this direction.

While gearing itself to the complete elimination of tactical nuclear weapons in the foreseeable future, Russia—in addition to the measures already taken—will also be halving stocks of airborne tactical nuclear weapons.

In the Sphere of ABM Defense and Space

Russia reaffirms its commitment to the ABM Treaty, which is one effective constraint on the strategic arms race and an important factor in the maintenance of strategic stability.

While adhering to this position in principle, we are prepared to continue unprejudiced discussion of the U.S.

proposal on limited nonnuclear ABM systems. Our final attitude to this idea will be determined by the extent to which it accords with the task of strengthening strategic stability in the conditions of deep cuts in strategic offensive arms.

I declare Russia's readiness, on the basis of reciprocity with the United States, to eliminate existing antisatellite systems and draw up an accord on a total ban on weapons specifically designed to destroy satellites.

In the Sphere of Banning Nuclear Weapons Tests and Banning the Production of Fissionable Materials for Weapons Purposes

Russia is resolutely in favor of a ban on all nuclear weapons tests. We remain true to the one-year moratorium on nuclear explosions announced in October 1991, and we hope that the other nuclear powers will also refrain from conducting nuclear tests. An atmosphere of mutual restraint would be conducive to the attainment of an accord on not holding such tests at all.

In the interests of ultimately resolving this task, we propose to the United States that bilateral stage-by-stage talks on further limitations on nuclear weapons tests be resumed.

Russia intends to continue to fulfill the program of halting the production of weapons-grade plutonium. Industrial reactors for the production of weapons-grade plutonium will be shut down by the year 2000, and some of them, on an accelerated time scale, as early as 1993. We reaffirm our proposal to the United States that agreement be reached on the verifiable cessation of production of fissionable materials for weapons.

In the Sphere of Nonproliferation of Weapons of Mass Destruction and Means of Delivery

As the successor state to the USSR, Russia naturally reaffirms its commitments under the Treaty on the Nonproliferation of Nuclear Weapons, including its commitments as depositary. We expect the accession to the treaty in the near future, as nonnuclear states, of Belarus, Kazakhstan, and Ukraine, as well as the other states belonging to the CIS.

Russia declares its full support for the activity of the International Atomic Energy Agency [IAEA] and advocates the strengthening of the effectiveness of its guarantees.

We feel satisfaction that an understanding has been reached on creating a zone free from nuclear weapons on the Korean peninsula.

We intend to take additional steps to ensure that exports from the USSR do not lead to the proliferation of means of mass destruction. It is from this viewpoint that we are currently working on questions of adopting the principle of "all-embracing IAEA guarantees" as a condition of our peaceful nuclear exports and officially acceding to the international regime of nonproliferation of missiles and missile technologies as an equal participant. We support the efforts of the so-called "Australia group" for the monitoring of chemical exports.

We envisage the adoption of internal legislation regulating the export from Russia of "dual-purpose" materials, equipment, and technologies, which could be used to create nuclear, chemical, or biological weapons or missiles. We are also setting up an effective system of state monitoring of such exports. We will establish the closest cooperation and coordination among all the CIS member states on these aspects.

Russia supports the guiding principles of the weapons trade that were approved in London in October 1991 by the countries which are the main exporters of conventional weapons, and will adhere to them.

In the Sphere of Conventional Arms

The treaty on conventional armed forces in Europe has been submitted to the Russian parliament for ratification. An understanding exists with the other CIS member states to whose territory the treaty's provisions extend, that they will also ratify it.

Russia reaffirms its intention, in conjunction with the other CIS member states, to reduce the Armed Forces of the former Union by 700,000 men.

Russia attaches great significance both to the talks currently taking place in Vienna on personnel cuts and confidence-building measures, and to the new talks on security and cooperation in Europe, due to take place after the "Helsinki-2" conference. These new talks could become a permanent all-European forum for seeking approaches to the formation of a collective all-European security system.

Russia will seek to achieve an accord at talks with China concerning the reduction of armed forces and armaments in the border region.

Our decision not to conduct in 1992 large-scale exercises with the participation of more than 13,000 men, not only in the European part but also in the Asian part of CIS territory, will also be a substantial contribution to strengthening stability.

We also hope that it will prove possible in the very near future to sign an "open skies" treaty.

In the Sphere of Chemical Weapons

We are in favor of the speediest conclusion—as early as 1992—of a global convention on a chemical weapons ban which, while safely barring the path to the possession of chemical weapons, will not be detrimental to the legitimate economic interests of the participants.

Russia adheres to the agreement with the United States on the nonproduction and destruction of chemical

weapons signed in 1990. However, the schedule it stipulated for the destruction of such weapons will require some adjustment.

All the chemical weapons of the former USSR are on the territory of Russia, and it takes on the responsibility for their destruction. We are drawing up a state program for their destruction and are open to cooperation with the United States and other interested countries on this matter.

In the Sphere of Biological Weapons

Russia is in favor of the strict implementation of the 1972 Convention on the Prohibition of Biological Weapons and the creation on a multinational basis of a corresponding verification mechanism and the implementation of measures aimed at confidence and openness.

As a party to the 1972 Convention, Russia renounces that part of the reservations stipulated by the USSR to the 1925 Geneva Protocol for the Prohibition of the Use in War of Chemical and Bacteriological Methods relating to the possibility of retaliatory use of biological weapons.

In the Sphere of Defense Budgets

Russia will continue substantially to reduce its defense budget, giving it a social orientation.

In 1990-1991 expenditure on defense, at comparable prices, had already been reduced by 20 percent, including a 30-percent reduction in expenditure on purchases of arms and equipment.

In 1992 we intend to reduce military expenditure by a further 10 percent (at 1991 prices). The volume of arms production in the current year will be reduced by approximately half, compared with last year.

In the Sphere of Conversion of Military Production

Russia welcomes international cooperation in the sphere of conversion of military production, and will for its part encourage this through the creation of "most-favored status" and the establishment of tax concessions for relevant joint projects. Conversion will take place with the maximum possible benefit to the people.

Mr. Secretary General!

Those are the main avenues of Russia's policy in the sphere of arms reduction and disarmament. We are open to ideas and proposals from other states aimed at strengthening international peace and security. By joint efforts, lasting peace can and should be guaranteed.

Respectfully yours,

B. Yeltsin,
President of the Russian Federation.

Shaposhnikov Supports Disarmament Proposals

LD0402023592 Moscow TASS International Service in Russian 0145 GMT 4 Feb 92

[Text] Moscow, 4 Feb (ITAR-TASS)—"The statement made by President Yeltsin on the eve of his visit to New York did not meet with everyone's approval," Marshal Yevgeniy Shaposhnikov admitted today in KOMSOMOLSKAYA PRAVDA. "There are people in our country who believe we have disarmed ourselves before the potential enemy. This is not so".

First of all, thinks Shaposhnikov, Russia and the United States have declared that they do not see each other as enemies anymore. Now we are allies. As for large-scale reductions, including strategic ones, Shaposhnikov notes that there was no talk of any unilateral concessions. Secretary of State James Baker will arrive in Moscow in two weeks and the painstaking work on turning the statement by the leaders of the two countries into practical deeds will begin. "As for potential enemies, we simply do not have them. Our doctrine could be summed up as 'defense in all azimuths'". concludes Marshal Shaposhnikov.

Western Reactions to Proposed Arms Cuts Viewed

PM0302143392 Moscow IZVESTIYA in Russian 31 Jan 92 Morning Edition p 5

[Aleksandr Sychev article: "Example of Striking Collaboration and Cooperation: That Is How the West Views the Russian and U.S. Disarmament Initiatives"]

[Text] The nuclear era entered a new phase when the U.S. and Russian presidents announced their intention to make significant reductions to their arsenals.

FRG Chancellor Kohl assessed the initiatives put forward by the two nuclear powers as a sign that "security policy is acquiring a new quality." British Prime Minister Major has expressed the view that the proposed measures are a "further step toward reducing the nuclear competition between the superpowers."

NATO Secretary General Woerner is sure that the world will become freer and safer as a result of implementing the planned reductions. In his opinion, special attention should be paid to the idea of the Russian President, who urged the United States to create a global defense system against nuclear weapons to replace America's "strategic defense initiative."

Foreign experts note that the Washington and Moscow initiatives follow parallel courses and have much in common, which, in the opinion of P. Beaver, publisher of JANE'S DEFENCE WEEKLY, the well-known British military political publication, is "an example of striking collaboration and cooperation."

THE WASHINGTON POST stresses in an analytical article that this is primarily a question of changing the

structure of the U.S. and Russian strategic nuclear arsenals. The most modern, dangerous, and destabilizing weapons—MIRVed missiles—are to be destroyed. This type of weapon is considered the most provocative in conditions of nuclear confrontation because it is the most attractive target for a preemptive strike.

Bush's initiative is aimed at balancing the positions because it includes the reduction of over 1,150 U.S. sea-launched warheads, something which is not being demanded of Moscow, THE WASHINGTON POST goes on. At the same time, other experts have expressed definite concern at the fact that the Russian proposals are larger in scale than the American. For example, the United States, according to rough estimates, is going to reduce 2,000 warheads whereas Russia will reduce around 5,000. "Washington needs to take steps in response to ensure equilibrium," K. Gasteiger, a Swiss disarmament expert, has said.

While giving a high assessment of the disarmament race between the United States and Russia, Britain and France have nevertheless not responded to the Russian President's appeal to join in this process. "The world has entered the nuclear era but has not yet come close to its end," J. Mellick, French Defense Ministry spokesman, stated, and consequently France's arms will be retained.

There was an unexpectedly critical comment from London on Washington's intention to reduce the number of warheads on sea-launched missiles. "We think," a politician who wished to remain anonymous said, "that this is an unwise step." The fact is that London is planning to begin building its fourth Trident submarine whose ballistic missiles the Royal Navy is going to buy in the United States. If their production across the ocean is going to be reduced, Britain fears that its nuclear forces will inadvertently be drawn into the disarmament process.

U.S. Response Linked to CIS Instability

PM0402101592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 28 Jan 92

[Report by A. Gerasimov; from the "Novosti" newscast]

[Text] [Announcer] Russian President Boris Yeltsin has said in an interview with ABC Television that ICBM's under Russia's control will soon not be targeted on any U.S. city and has expressed a wish no longer to regard the United States as a potential enemy. Today we are waiting for George Bush's response.

[Gerasimov] The envisaged exclusion of U.S. cities from the list of potential targets for Russian ICBM's is undoubtedly quite a substantial step toward world stability. But does it mean that U.S. citizens can henceforth sleep peacefully?

The other three nuclear republics in the Commonwealth of Independent States have not joined Yeltsin's initiative. Leonid Kravchuk has said that Russia's missiles can be targeted on whoever it likes. That is a matter for the Russian leadership.

It follows from Boris Yeltsin's interview that the missiles will no longer be trained on U.S. cities. But it is not clear whether this guarantees the security of military bases on U.S. territory.

Only after an official statement by Russia's president on this topic will it be possible to draw definitive conclusions. However, many Western countries have already expressed satisfaction at the retargeting of Russian missiles. They probably have reasons for feeling confident that the redundant warheads will not come flying their way. But what exactly will happen to these warheads?

The apparatus of the commander in chief, the former USSR Ministry of Defense, was not available to comment on this question today. We were told at its press center that so far there is only a political decision as regards retargeting. Its practical implementation lies ahead.

Today no one can say with any degree of accuracy how complicated the process itself is of changing the programs of the launchers, how the implementation of the adopted pledge will be monitored, and in what direction the missiles intended for the Americans will be pointed.

At the same time the White House press secretary has announced that the United States does not intend to retarget its nuclear weapons trained on countries of the Commonwealth of Independent States. The instability which prevails both inside the republics and in their relations with each other compels U.S. politicians and the military to maintain their alert duty.

Pentagon Briefing on 'Restraint' Reviewed

924P0062A Moscow TRUD in Russian 31 Jan 92 p 3

[Article by TRUD correspondent V. Sisnev: "'Restraint' Remains: But Now the United States Will Have Other Enemies"]

[Text] Washington—There is a strict demarcation for the American military—there are questions within their jurisdiction; beyond this line politics begins, and here they must pass. It is in this spirit that a colonel in the Department of Defense answered me yesterday, when I asked whether the words spoken by his secretary of defense meant that the doctrine of "restraint" remains in force.

The Pentagon briefing followed on the heels of statements by Presidents Bush and Yeltsin concerning their planned reductions of nuclear and other arms. Cheney and new CIA Director Gates stated earlier that the United States and former USSR have ceased to be

opposing powers, enabling a reevaluation to be conducted of the structure and strength of the American Armed Forces. Here Bush proposed (not without glancing towards the upcoming elections, of course) in his annual address a specific plan for reducing military expenditures by 50 billion over a five-year period.

Although Cheney used numerous chart diagrams at his briefing, these were intended to show the political significance of what was happening in its entirety. The secretary left specific data on the services and branches up to Chairman of the Joint Chiefs of Staff Colin Powell, who would speak after him.

Many times in recent decades dangerous situations have emerged, unforeseen by anyone in the United States. It turned out possible to repulse a threat only because, in following the doctrine of "restraint of a potential enemy," the country was prepared for any unexpected event. It was impossible to predict the disintegration of the USSR, and it would be just as impossible to predict the future development of the world. In other words, U.S. military presence in all strategically significant regions of the globe, the secretary concluded, must be preserved. That is the first point. Second, thanks to the now radically different relations existing between the United States and Commonwealth of Independent States, global policies could be carried out more profitably from the point of view of the American taxpayer.

But perhaps most curious of all in this programmed speech of the defense secretary was the fact that, unlike all previous presentations, this one did not imply that we were among those whom America would have to "restrain." Cheney just simply did not define whom he had in mind. He discoursed on hypothetical situations which could arise in one region or another, as occurred for example in the Persian Gulf.

Listening to him and then to General Powell, I thought about the fact that just a few years ago my pen would automatically have put something down on paper about "the American military in the role of world policeman." I also thought aboout how good it was that today we can objectively discuss how our and American missiles of all shapes and sizes will disappear gradually from our arsenals, and those that remain will not be aimed at Washington or Moscow.

I bear no grudge against that Pentagon colonel. On the contrary, I believe this is the way it must be—military matters for the military, and politics for the politicians.

'Reliability' of Yeltsin's Program Viewed

PM0402093592 Moscow KOMSOMOLSKAYA PRAVDA in Russian 1 Feb 92 p 3

[Article by Yuriy Baturin: "What Makes Arms Race Dangerous?"]

[Text] The initial stage of each rule in our country, except for the very brief ones, has been marked by graphic proposals for disarmament, unilateral moratoriums, and other political actions so far-reaching that it is truly surprising how military technology survived at all until the next even more striking initiative.

Russia's present proposals differ from previous ones in at least three ways.

First, they are accompanied by counterproposals by the United States.

Second, these steps have a chance of being considerably more effective in speed and scope since the former "potential enemy" is extremely frightened of unnatural chaos among the USSR's heavily armed heirs. Being very worried by that fact, it is prepared to pay for many measures (and disarmament is quite expensive) which reduce the danger of war from its new friends.

Third, this time the design in the grand chess game is to turn the hopeless military position into an effective draw. But there still has to be a careful assessment of how all this will affect internal Russian affairs.

For instance, will a 700,000-strong reduction of the servicemen of the former Union's armed forces not repeat the just-as-massive dismissal from the army implemented long ago by N.S. Khrushchev, as a result of which a huge number of homeless appeared in our country, the fate of many people without civilian specialities was broken, and crime increased? Has this all been thought out, particularly with a consideration for the not too successful experience of withdrawing Soviet Army units from East Europe?

Or take the possible side effects. A report has gotten into the press that the Americans suggested paying for the work of our nuclear physicists here in this country to prevent them from scattering around the world, mainly to countries which dream of having their own bombs. One can imagine who would be on the hypothetical "dollar lists" were the United States to ask us to compile them! Aggrieved by the flagrant injustice the rejected nuclear physicists will try to prove who is worth what. To prevent that passport restrictions will obviously be intensified, that is the past will return in that respect. I should also like to take a look in that perspective at the planned measures to control the export of technologies with a dual application.

In brief, there should be a comprehensive study of the program proposed by President Yeltsin.

It also contains unrealistic things—the creation, together with the United States, of a global system to replace SDI. Let us leave aside for the moment the level of reliability of such a system. But it is madly expensive (even if the financial burden is divided in half) and beyond the means of what is frankly a poor country. In addition so much money has already been put into SDI that even the rich Americans will hardly decide to make something in its place. How will third countries look at the claim of the two powers to control global security? Finally, will the

United States allow the Russians access to its top secrets despite all their good relations? Hardly. In fact it all comes down to purchasing several technologies (lasers and so forth) from Russia and to a brain drain across the ocean.

The transfer of the SDI system and similar developments of ours to a "partnership regime" looks more feasible. One of the weaknesses of SDI is that it does not accord with the rules for working up interacting systems requiring the implementation of joint full-scale tests. Nor could it be otherwise under conditions of confrontation. But an opportunity appears here to play with models of what would happen and how.

Of course, it would be a project of the Apollo-Soyuz type. We learned a lot of interest from each other, created a joint docking module, docked once, shook each other's hands, and never made use of the module again. But ultimately it is possible to exchange space information again, which would increase mutual trust, and to think up other forms of cooperation. But one way or another the whole idea of replacing SDI is a good moneyspinner from the military-industrial complex, which receives big orders for a long time.

Of course, it is still possible to reach a draw, but the options still have to be calculated repeatedly.

U.S. Vows $500 Million for Weapons Destruction

PM0402094192 Moscow PRAVDA in Russian 31 Jan 92 p 1

[Report by Stanislav Oganyan under the "In Russian Supreme Soviet" rubric: "America Gives Us Half a Billion"]

[Text] In the Russian Supreme Soviet Committee for Industry and Power talks have been held with representatives of the U.S. company of United Engineers and Constructors on questions of destroying the chemical weapons of the former USSR. Under the treaty between the USSR and the United States, our country must begin eliminating arms of this type no later than 31 December 1992.

Is Russia, on whose territory all the chemical weapons of the former Soviet Union are concentrated, ready to begin this costly operation on time? To all appearances, we will hardly succeed in coping with the set task on our own. People in the United States are well aware of this. A recent decision of the U.S. Congress allowed President Bush to set aside $500 million for the said purposes gratis.

The United Engineers and Constructors Company will participate directly in realizing the elimination program. A plant for the destruction of chemical weapons—the only one in the world—has been constructed with its assistance on Johnston Atoll in the Pacific. This enterprise meets the highest safety and environmental protection requirements.

A peculiarity of the situation is that there is a similar enterprise in Russia—at Chapayevsk in Samara Oblast. But it has been mothballed in connection with numerous protests from the local population, alarmed at the threat of ecological danger. It has to be said that there are very real grounds for fears. Therefore the participants in the Russian-U.S. talks must resolve this question—either to modernize the Chapayevsk plant or to seek a new construction site. Incidentally, either decision suits the U.S. side. It is now up to the Russian authorities.

Problems Cited in Chemical Weapons Elimination

LD0302112292 Moscow TASS International Service in Russian 0955 GMT 3 Feb 92

[By ITAR-TASS correspondent Sergey Ostanin]

[Text] Moscow, 3 Feb (ITAR-TASS)—"While carrying out the policy of banning and destroying chemical weapons, the Russian Federation will inevitably meet with great problems which it has inherited from the former Union," thinks Colonel General Stanislav Petrov, chief of the chemical forces of the CIS [Commonwealth of Independent States] Armed Forces.

As far back as two years, he said in an interview today with ITAR-TASS, a draft of a state program for destroying chemical weapons was worked out. Yet, since then neither the USSR Supreme Soviet nor the USSR Cabinet of Ministers have adopted any concrete decisions on this.

The draft—which is under examination in the Russian Federation Supreme Soviet—in Gen. Petrov's view, does not reflect the key element: the creation of a state commission that will be responsible for choosing the sites where chemical weapons will be destroyed and which will define variants of the procedure. The draft, on which govermental circles have not even begun working, is in need of other details and corrections.

"This relates in the first place to the time limits and schedules in the destruction of chemical weapons," noted Gen. Petrov. "Of course, one should approach this bearing in mind the real capabilities that exist in Russia, which has taken on itself the responsibility of destroying all the chemical weapons of the fomer USSR". The most logical, in his view, thing to do would be to sign an agreement at an intergovernmental level on the distribution of material and financial expenditures in connection with this.

The technologies for destroying chemical weapons are now being upgraded. The main aim is to achieve not only the waste free production cycle of the destruction process but also to produce goods for the national economy in order to cover the expenses, noted Stanislav Petrov.

Touching on the question of U.S. financial aid to Russia for destroying weapons of mass destruction, Gen. Petrov expressed the hope that a certain part of this money will go to the destruction of chemical arsenals.

Scientists 'Anxious' Over Unemployment

LD0202221792 Moscow Russian Television Network in Russian 1700 GMT 2 Feb 92

[Report by announcer V. Gurnov, including remarks by Academician Yu. Khariton, a "leading nuclear scientist"; from the "Vesti" newscast]

[Text] [Khariton] Not everyone changes over easily from one type of job to a substantially different type of job, but a very great number of theoreticians have a wide range of interests.

[Gurnov] This is the view of Academician Khariton, one of the country's leading nuclear scientists. He believes that, in the absence of new military orders, the majority of scientists are anxious about possible unemployment. However, many of them can perfectly well be redirected toward the development of civilian industries, for instance, the creation of gigantic accelerators and electronic instruments for medicine. The dismantling of nuclear missiles also requires thousands of specialists.

As regards the brain drain, as Khariton put it, only a son-of-a-bitch scientist would consent to work for large amounts of money abroad.

Western Interest in 'Secret Cities' Cited

PM0302100592 Moscow PRAVDA in Russian 30 Jan 92 p 1

[Report by Anatoliy Pokrovskiy: "'They Are Very Interested in It.' Secret City Under the Hammer"]

[Text] This was how, in a newspaper interview, Russian Vice President Ye. Gaydar assessed the attitude of Western investors to the "secret" cities where our scientific elite and highly skilled working class are concentrated and where modern hardware and technology are in use. Quite right! I can back this up with evidence from the other side.

"In the United States there is nothing similar to what we have seen here. You have gone much further than us." These are the impressions gained by an American, M. Krikorian, chief of the Nuclear Safety Department at the famous Los Alamos National Laboratory, from his visit to Arzamas-16, the no less famous city inhabited by our nuclear scientists. Surely this is a matter for pride! Is it not the basis for businesslike, equal, and mutually advantageous cooperation! Is this not an instance where entering the world market for high technologies could bring the country tangible economic gain, including convertible foreign currency!

But let us listen a bit more to Ye. Gaydar. According to him, these cities are a "dream for Western investors. They will go there with pleasure and convert the plants. We only have to remove the unfortunate secrecy. We are now doing this. We have already been talking to the West...."

I know from personal experience that this secrecy was often "unfortunate" for us. But should we put our intellectual wealth at the service of the West in such an impulsive manner? Why should the West rather than our own people derive benefit from this? PRAVDA has already reported on several occasions that due attention is not being paid to conversion in our country, but a well thought out program for it has simply not been adopted. The recent Russian Federation Supreme Soviet session merely expressed readiness to examine the most sensible projects.

Yes, there really is a shortage of money in the country. But perhaps it makes no sense to sell things off one after another with no thought for the long term. As you can see, people willingly buy up our secrets and those who bear them. Our scientists continue to be invited abroad. What will we be left with? It takes decades to cultivate a world-class scientific stratum. And it is no accident that U.S. President Bush has stated that as a result of the victory in the "cold war", he is earmarking billions in additional appropriations for education and science.

We would like to hope that common sense will triumph all the same. As Professor V. Mikhaylov, deputy minister for atomic power engineering and industry, said, our nuclear scientists know what their secrets are worth and are prepared to cooperate with the West in joint research projects in which each side contributes its "share." Incidentally, another representative of the Los Alamos laboratory, D. Stillman, came up with a curious idea. He noted that scientists from many countries have long nurtured the idea of setting up an international research center in the field of laser technology. And in his opinion they are unlikely to find a better site for the headquarters of this corporation than Arzamas-16.

Well, all this is a matter for the specialists. It only remains to say that nothing is more highly valued on today's world market than scientific ideas. We must learn to trade them skillfully, and not force specialists in extremely rare professions to the brink of strike action, as happened at the Spaceflight Control Center.

Doors Opened to Foreigners

LD0402073892 Moscow Mayak Radio Network in Russian 0900 GMT 3 Feb 92

[Text] Top secret until recently, the Arzamas-16 town for the development of Soviet nuclear weapons may soon become a world center for the development of laser, nuclear and other technology for peaceful purposes. Nina Volkova, head of the press service of the experimental physics scientific research institute, has explained that this town is opening its doors wide for foreign scientists. Over the last six weeks alone there have been visits from the United States Los Alamos laboratory, German and Czechoslovakia. The United States of America has nothing like what is here.

World Economic Forum in Switzerland Observed

Kravchuk Addresses News Conference

LD0102160992 Moscow TASS in English 1540 GMT 1 Feb 92

[By ITAR-TASS correspondents Boris Shabayev and Valeriy Shashkov]

[Text] Davos February 1 TASS—"We have come to the World Economic Forum to tell its participants about the policy pursued by the independent Ukraine and hear the opinion of leading representatives of the business world, statesmen and public figures from many countries," Ukrainian President Leonid Kravchuk said at a news conference here today.

The role of the Ukraine in the world economic and political life and its influence on processes of the formation of the Commonwealth of Independent States (CIS) are the reasons why the Ukrainian delegation is evoking such a lively interest here. Journalists showered the Ukrainian president with questions about Ukraine's stand on the problem of the foreign debt of the former Soviet Union, the status of the Black Sea Fleet, the future of the Crimea and other problems. Responding to a question of ITAR-TASS, Kravchuk pointed out that the independent states formed on the ruins of the former USSR are bound by many common interests and problems, including economy, the information space and the armed forces, which were created as a single entity. Naturally, some mechanism is needed to resolve common problems. The Commonwealth is exactly this kind of a mechanism.

Kravchuk pointed out that CIS members had managed to reach agreement on a number of problems and to sign corresponding documents in Minsk, Alma-Ata and Moscow. But the Commonwealth is a new entity, and principles of relations between its members have not yet been worked out to the last detail. Many CIS members are inclined to believe that it is still necessary to have some central regulating authorities, in other words, to go back to old structures. Hence some contradictions, which is quite natural. There are no associations, be it on the European or world level, which have never faced contradictions. It is the ability to settle them that matters.

Stressing Ukraine's allegiance to the letter and spirit of the documents, adopted jointly by the CIS members, Kravchuk expressed confidence that the Commonwealth should not be regarded as a structure doomed to failure. Neither should its importance be exaggerated.

Yeltsin Sends Message

LD0102193492 Moscow TASS in English 1828 GMT 1 Feb 92

[By ITAR-TASS special correspondents Boris Shabayev and Valery Shashkov]

[Text] Davos February 1 TASS—Russian President Boris Yeltsin sent a message of greetings to the participants in the World Economic Forum in Davos, emphasising the immense importance of the forum's activity aimed at the development of international cooperation.

The message was circulated in Davos today, the venue of the meeting which brought together the heads of state and government of many countries, top-notch economists, politicians and public figures.

After a long break, Russia is being returned to the family of democratic states, to the world economic system, the message says. At the same time, on this uphill path we need the support and assistance of the world community to make current processes irreversible and less painful. Your desire to utilize vigorously opportunities of the World Economic Forum deserves the highest appraisal.

Russia will fulfill unswervingly and consistently its international commitments and the obligations of the former Soviet Union in the military-political and financial-economic areas and in the all-important human rights sphere. Russia will never pose a threat to anyone. We have entered the world arena extending a hand of friendship to all, the message emphasises.

It expresses confidence that the Davos forum will become an important milestone in the development of mutually beneficial cooperation and partnership with a new Russia.

Shokhin Speaks

LD0302090992 Moscow TASS International Service in Russian 1318 GMT 2 Feb 92

[By ITAR-TASS special correspondents Boris Shabayev and Valeriy Shashkov]

[Text] Davos, 2 Feb (ITAR-TASS)—A government which has set about implementing a harsh program for stabilization cannot count on the affections of any group within the population—its social base is sharply reduced, noted Aleksandr Shokhin, deputy prime minister of the Russian Government at the start of his conversation ITAR-TASS at the World Economic Forum which is taking place in this Swiss town. As minister of labor and employment he bears on his shoulders just about the heaviest burden: responsibility for the social consequences of the reforms which are being implemented.

Reducing the budget deficit, he said, presupposes cutting back on social programs and financial stabilization means inevitable tax increases. In other words, neither the working people nor the entrepreneurs stand to gain from this policy at present. Everyone will gain only when the ruble begins to turn into normal money sought after by producers and consumers.

Furthermore, the people have been promised a "bright future" if they tighten their belts still further today so many times that they long ago stopped believing in promises of that kind. But they must trust the young

Russian Government, in Shokhin's view, if only because it is not experimenting, is not seeking some sort of special "third way" but is implementing a classic program for economic stabilization which has been shown to work by experience worldwide.

This program which is giving rise to intense interest at the Davos forum is of course not an aim in itself. It has very definite social aims without which the very policy of reforms would have no sense to it. The main difficulty is in walking tightrope between meeting urgent social needs and the harsh requirements of stabilization without leaning to either side in order not to wreck the whole transformation of the economy. So there is very little room for maneuver.

We are far from thinking that our decisions are infallible, says Aleksandr Shokhin, although our forecasts do come true for the most part. And nevertheless amendments are required in the sphere of social protection for the most vulnerable sections of the population. The pay rises undertaken in December and January and rises in pensions and grants reckoned on prices rising by between two and a half and three times. In fact they grew by between five and seven times. For many this is already beyond the limit, something that compels us to revise the mechanism for bringing incomes up to meet prices. Earlier we had anticipated implementing a quarter-by-quarter review of fixed wages, pensions, grants, and benefits, but now we are considering a one-off revision as early as Febraury. It will clearly also be necessary to embark on certain restriction of high incomes.

Of course all of these are not "market" measures, but any stabilization program inevitably contains "anti-market" elements, as it were. We will prove to have been right in the event that we are able to achieve results quickly by these harsh measures, Russia's deputy prime minister cocludes. The whole object of the program of economic stabilization is in fact to ensure a turn around in the course of six to nine months.

'New Partners' Session Viewed

LD0202235292 Moscow TASS International Service in Russian 2300 GMT 2 Feb 92

[By ITAR-TASS correspondents Boris Shabayev and Valeriy Shashkov]

[Text] Davos, 3 Feb (TASS)—The main event on Sunday [2 February] at the World Economic Forum which is taking place here was a plenary session at which the heads of seven CIS [Commonwealth of Independent States] states—Armenia, Azerbaijan, Belarus, Kazakhstan, Moldova, Uzbekistan, and Ukraine—spoke. "New Partners" was the theme given to this session by the organizers of the forum. It was chaired by Henry Kissinger, former U.S. secretary of state, who gave each of the speakers six minutes in which to summarize their views on the Commonwealth and its prospects. Levon Ter-Petrosyan only needed half that time to give a brief and precise outline of the range of problems being encountered by CIS members, from the lamentable state of the economy to interethnic conflicts. In the opinion of the president of Armenia, the process of disintegration has not yet ended with the creation of the Commonwealth. Each state is seeking its own way out of the difficulties and few would want to predict today what this will lead to.

His assessment of the state of affairs in the Commonwealth was shared by the president of Kazakhstan. Life itself, Nursultan Nazarbayev noted, has prompted the CIS as a form of relations between independent states and it must be strengthened and given concrete form. He expressed the hope that coordination such as that which is operating successfully within the European Community will gain strength within the Commonwealth framework.

Stanislav Shushkevich, chairman of the Supreme Soviet of Belarus, stressed that the ties that have been formed between peoples not over decades but over centuries must not be severed. For this reason, at the basis of the Commonwealth of Independent States is the principle of the free movement of citizens, information, and material goods.

Mircea Snegur, president of Moldova, spoke about the Moldovan people's commitment to cooperation with the other states of the CIS. He and his colleagues from Azerbaijan and Uzbekistan paid most attention to familiarizing those present with the economic potential of their republics which, as was emphasized in their speeches, opens up most favorable prospects for foreign investment.

The Ukrainian president pointed out that the foreign participants in the present Davos forum would like the CIS to be strengthened just as, incidentally, they had not wanted the break-up of the USSR a year ago. This desire is understandable: It is easier to deal with one partner than with several. So far the Commonwealth is taking only its first steps and the path toward truly strengthening it, Leonid Kravchuk noted, lies through each participant's strict compliance with the principle of equality, with the obligations undertaken and the treaties signed. The president of Ukraine particularly stressed that the raising of any territorial claims between members of the CIS is inadmissible.

At the end of the plenary session, the heads of states of the CIS replied to questions from the forum's participants, who packed into the hall despite the late hour on Sunday evening.

Nazarbayev Quoted

LD0302170292 Moscow TASS in English 1604 GMT 3 Feb 92

[By ITAR-TASS correspondents Boris Shabayev and Valeriy Shashkov]

[Text] Davos February 3 TASS—"The World Economic Forum held annually in Davos, Switzerland, provides a rare opportunity to meet and exchange opinions with many state figures, prominent economists from all over the world and authoritative scientists. I cannot miss such an opportunity, therefore I am here despite having a lot of work and other problems at home," President of Kazakhstan Nursultan Nazarbayev said in an interview with ITAR-TASS.

The talks on vital problems were fruitful and constructive, he said. "It should be admitted, however, one can get tired of endless questions on what is going on in the Commonwealth, what the prospects are for strengthening and developing it," he continued, "but these questions show what a lively interest and concern the situation in our newly independent states and ways of settlement of urgent problems within the framework of the Commonwealth evoke in the whole world," he said.

"It is not the Soviet Union that collapsed but the empire, and it should be welcomed. But we must not lose all that was good, useful and necessary to the people, what was achieved and accumulated by generations", the Kazakh leader stressed. "We, politicians, should now display a sense of the highest responsibility towards the peoples to preserve the ties formed over centuries and strengthen the cooperation on a new basis. Therefore I am all in favour of the Commonwealth and convinced it is necessary to create coordination bodies which would be able to ensure interaction in solving common problems," he pointed out.

Creation of Black Sea Economic Zone Discussed

Talks Open in Istanbul

LD0302214792 Moscow TASS in English 1821 GMT 3 Feb 92

[By ITAR-TASS correspondent Aleksandr Chelyshev]

[Text] Istanbul February 3 TASS—A meeting of foreign ministers from nine countries on economic cooperation in the Black Sea region opened in Istanbul today. Taking part in the meeting are representatives of Turkey, Russia, Ukraine, Moldova, Georgia, Azerbaijan, Armenia, Bulgaria and Romania.

The meeting was opened by Turkish President Turgut Ozal. He noted that in just over a year the Black Sea region countries managed to get tangible results in implementing the creation of a zone of economic cooperation in the region. The document, which the participants of the Istanbul meeting are to initial, will considerably contribute to the economic development of all countries in the region, the president stressed. According to him, the initialing of the declaration on cooperation will mark a historical event. Ozal invited heads of state participating in the Black Sea project to meet late in June or early in July in Istanbul for signing a treaty on cooperation in the Black Sea region.

Russian Foreign Minister Andrey Kozyrev said at the meeting Russia "considers the idea of economic cooperation in the Black Sea region an important prerequisite for establishing a many-sided partnership and harmony in the region". Russia is ready to participate in implementing the plans of cooperation and hopes its resources and potential, with which it is entering into this cooperation, will be effectively used in the interests of both Russia and other peoples in the region, the Russian minister pointed out.

Potential Conflicts Noted

LD0302215792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 3 Feb 92

[From the "Novosti" newscast]

[Text] REUTER reports on a meeting of the Black Sea countries which opened in Istanbul today. Turkey, Bulgaria, Moldova, Romania, the Ukraine, Russia, Armenia, and Azerbaijan plan to conclude an agreement on cooperation in the Black Sea region, but internal differences between the states of the CIS [Commonwealth of Independent States] could lead to an extremely dangerous situation in the region.

[Correspondent M. Osokin] The Turkish Government has put forward a plan for the creation of a Black Sea region of economic cooperation. It has to be said that cooperation of this kind is already becoming a reality in Turkey's bilateral relations with various southern republics of the former Soviet Union. For example, links with Azerbaijan are developing very actively. Various economic projects and cultural exchange programs are being worked out.

Incidentally, Baku is apparently interested in something else as well. According to an adviser to President Mutalibov, Azerbaijan is hoping for fraternal Turkey's assistance in settling the conflict in Karabakh and, even more interesting, the establishment of its own army.

The Turkish politicians themselves, while elaborating a program for a Black Sea zone of cooperation, are at the same time apparently looking even farther ahead. They are saying that many countries in the West want to develop ties with this region, but this can only be done through Turkey. As a result, the country is assuming a key role in ensuring access not only to the Caucasus but even farther—to Central Asia.

Iran too, however, is operating very actively in the southern republics of the former Union, and the very same Azerbaijan is an object of particular attention. As a result, Turkey and Iran have begun a real struggle for influence in the Muslim regions of the former Union. Turkish politicians believe they have a better chance of success since they can offer a more modern and civilized model of an Islamic society. But the euphoria over their country's new role has apparently encouraged some people in Turkey to express some quite unexpected

ideas. According to the MEGAPOLIS EXPRESS, printed maps of Turkey have appeared in tourism offices in Yalta on which the Caucasus as well as parts of Ukraine, the Crimea, and Kherson Oblast are painted the same color as Turkey. But such approaches, should they suddenly find reaction in Turkish official circles, will hardly help to improve the atmosphere in the Black Sea basin or the development of cooperation.

CSCE Missions To Visit Independent States

OW3101145992 Moscow INTERFAX in English 1339 GMT 31 Jan 92

[Transmitted via KYODO]

[Text] CSCE missions are to visit the independent states of the Commonwealth that joined the CSCE process at a meeting in Prague. Even though a decision on their (except Georgia) joining the CSCE has already been made, the missions are to examine situations in Azerbaijan and some other republics of the former Soviet Union in terms of human rights and ethnic minorities rights.

According to a high-ranking Russian diplomat interviewed by IF's [INTERFAX] correspondent, this development "could only be welcomed". Some participants in the CSCE, especially NATO members, opposed Central Asian republics of the former Soviet Union joining the Helsinki process. The fact that this view has not prevailed gives us grounds for the hope that "civilized European" standards may be applied to the Asian part of the former Soviet Union, "the thing we are all interested in", the diplomat said. This may be conducive to settling the current or potential ethnic conflicts in those republics. Besides, now they are less likely to drift toward the Moslem world.

Further on Admission

PM0302162392 Moscow IZVESTIYA in Russian 30 Jan 92 Morning Edition p4

[Report by correspondent Maksim Yusin: "All Former Soviet Republics, Except Georgia, Will Be Admitted to CSCE"]

[Text] On the evening of 28 January the Committee of Senior CSCE Officials in session in Prague spoke in favor of including all the former Soviet republics in the European process, with the exception of Georgia. The CSCE's expansion will be officially announced Thursday [30 January], at a conference of foreign ministers opening in the Czechoslovak capital. This question will be the first on the agenda.

According to the documents adopted Tuesday [28 January], all the CIS republics will become participants in the European process; they will submit an official request to join the CSCE by 30 January. The application must comply with the special standard example approved at the session in Prague: The former Soviet republics will confirm their commitment to the Helsinki principles and pledge to receive a special CSCE mission which will study the human rights situation on the spot.

Turkey Tried to Block Armenia's Acceptance

As expected, discussing the question of membership for the former Soviet republics was a very stormy affair. Serious problems arose in connection with the stand taken by Turkey, which objected that Armenia should not be admitted to the CSCE until it renounces its territorial claims on Turkey. Ankara remained isolated, however. Western countries were quite vigorous in their support of Armenia. According to reports from Prague, some delegations threatened to block Azerbaijan's admission to the CSCE (whose nomination has been actively supported by Turkey) if Ankara did not soften its approach. In the end, Turkey backed down.

Information on Russia's "Anti-Armenian" Stand Untrue

According to the Czechoslovak Information Agency, at one point in the discussion the Russian delegation supported Turkey when it questioned the advisability of accepting Armenia. This doubtful piece of information has been quoted by major foreign media. "These reports are totally untrue," we were assured by the Russian Foreign Ministry. "We have always favored CSCE membership for all the former Soviet republics without exception. There is absolutely no reason to single out Armenia from this list, particularly in a negative way."

Questions also arose in connection with Moldova's membership. However, Romania hinted that it would use its right of veto (which all CSCE members have) and hinder the acceptance of other CIS republics if Chisinau's [Kishinev's] nomination was not supported.

European Process Could Become Eurasian Process

More serious objections have been prompted in diplomatic circles by the decision to admit the Asian republics of the former Soviet Union to the CSCE: Tajikistan and Uzbekistan in particular, whose "neocommunist" leaders do not have great prestige in the West. In the opinion of several experts, the "Asianization" of the European process calls into question the need for a consensus when adopting the most important decisions. In theory, each Central Asian republic will now be able to block any CSCE resolution, even if it is concerned with purely European problems.

However, in the opinion of Russian diplomats, this threat should not be overestimated. "NATO and the EC have a well-oiled mechanism of economic and political pressure which has always worked smoothly. It has been used in relation to Turkey, for example," one of them said, adding that the "pluses from including the Central Asian republics in the European process outweigh the minuses." The main pluses are that the West and Russia will be able to effectively monitor the defense policy of the new CSCE members and follow their observance of human rights. Swayed by these arguments, the East

European countries and Austria—which were initially skeptical about the idea of membership for the Central Asian republics—lifted their objections.

No Fundamental Objections to Georgian Membership

It is possible that Georgia will also join the CSCE in the near future. From our conversations with Russian experts, it appears that no country has any serious objections to Georgia's becoming involved in the European process now that it is free of Gamsakhurdia. The United States and the EC, which blocked the republic's admission to the CSCE in September (Russia then supported Tbilisi's nomination) have now changed their attitude. A special CSCE representative visited Georgia last week. The new Georgian authorities declared their willingness to become involved in the European process as soon as the situation in the republic stabilizes.

International Experts Meet To Discuss Aid

LD0302041992 Moscow TASS in English 1726 GMT 31 Jan 92

[By BELTA-TASS correspondent Tatyana Khryapina]

[Text] Minsk January 31 (TASS)—Participants in the International Conference on Aid to Commonwealth member-states met here today to discuss specific aid programmes.

Belarus said priority should be given to providing aid to Russia, Ukraine and Belarus in resolving the Chernobyl problem.

The three republics, which were most hurt by the radioactive fall-out in the 1986 disaster, urgently need equipment, tomographs for children, modern cancer-treatment drugs and new medicines for radiation victims.

The conference is attended by Commonwealth republics and Georgia, as well as experts from the United States, Portugal, Great Britain, Belgium, France and other countries.

Gorbachev Invited To Assess Issues, Events

Regular Contribution Agreed

PM0202154592 Moscow KOMSOMOLSKAYA PRAVDA in Russian 1 Feb 92 pp 1, 3

[Interview with Mikhail Gorbachev, former president of the USSR and former general secretary of the CPSU Central Committee, by D. Muratov, place and date not given; inaugurating the rubric "Once a Month With Gorbachev"—first two paragraphs are editorial introduction]

[Text] Gorbachev's new office is smaller than the one he had in the Kremlin. In the right-hand corner there is a desk; to the left an ordinary wooden table, the kind used for meetings. There are double doors. In the reception room there are some amiable guards (a government decision) and a secretary. Everyone is anxious to ensure that the boss' working schedule is observed.

Mikhail Sergeyevich has agreed to contribute regularly to this rubric in our newspaper and to give his assessment of events. And, unless we err, this is his first interview for the Soviet press since he left the presidency.

[Muratov] You were going home to Stavropol. How were you greeted?

[Gorbachev] People at home knew what was going to happen. So my resignation was no surprise. Resignation, of course, was a difficult ordeal for me and for my family, but I could not take part in the abolition of the country.

[Muratov] Are you aware of how people regard you now?

[Gorbachev] You know, I do not feel that I am unnecessary here. I read a lot about myself now. "Gorbachev launched perestroyka, which made things worse for everybody." But let us understand one thing: I could not have done anything had society been opposed to the reforms that were launched and opposed to freedom of thought. A Moscow woman wrote me a letter: "I stopped fearing the state." Is that so little?

[Muratov] A month ago, in a KOMSOMOLSKAYA PRAVDA interview, you spoke of possible conflicts between the members of the CIS [Commonwealth of Independent States]. Unfortunately....

[Gorbachev] Yes, I was a bad prophet because my prophesies came true too soon. The disintegration of the Army has begun, economic ties are breaking down, and the replacement of the ruble by national currencies is taking place in a haphazard way. But the CIS has been recognized by the republic parliaments. Thus I am not going to talk about the advantages of the Union Treaty any longer (I am sure of them). What is needed now is to think of how to help the CIS.

[Muratov] Do you think that it can be preserved?

[Gorbachev] It must be preserved. Nazarbayev has taken a very precise stance, he constantly insists on joint decisions. The Russian president absolutely must not concede his initiating role. Otherwise there will be collapse, crisis. Various leaders have arisen on the basis of national ideas, but will not survive on those ideas. They will let their peoples down. It is necessary to create joint institutions of power—first and foremost economic ones—without delay. A defense alliance must be concluded among the countries urgently. And most important, there must be some common legal norms.

[Muratov] Do you think that some kind of common constitution is possible?

[Gorbachev] No, that is no longer possible. I have in mind a law at the level of various treaties.

[Muratov] But we have already seen the Minsk agreement breached after just a few days....

[Gorbachev] That is why an authoritative court of arbitration must be created. Or simply a court which would monitor the fulfillment of accords. Understand, it is not the authority in itself which must be effective, but the execution of laws by the authority. Only then is the single path adopted by me possible—the path not of revolution, but of evolution. There are no effective revolutions, there are only successful coups.

[Muratov] Then in that case how do you view the situation in Georgia? After all, a lawfully elected president has been overthrown there.

[Gorbachev] That is a very difficult question for me. I love Georgia. At the last congress I went up to the Georgian delegation and asked how I could help them. They replied: "Do not get involved in our affairs, Mikhail Sergeyevich, we still have to work out ourselves what we want." I am opposed to the violent overthrow of power, undoubtedly. But I cannot, I simply cannot condemn a people who overthrew such a regime.

[Muratov] Mikhail Sergeyevich, you spoke several times about a danger either from the "right" or from the "left," depending on the situation. In your view, which tendency is most dangerous now?

[Gorbachev] Nationalism. Savage, arrant, common nationalism is mindlessly terrifying. People can come to power that way.

There is also a danger in the fragmentation of left-wing forces and the radicalization of a section of those forces. They could lose trust. On coming to power they begin to enjoy even more uncontrolled privileges than the old power. They are trying to make the press more subservient—this is pernicious. I even experienced that personally when I was isolated from the media in December. KOMSOMOLSKAYA PRAVDA and a few other newspapers let the president say what he wanted....

[Muratov] They say that in Finland you were prevented from buying....

[Gorbachev] I have already heard that I have a home in California, Geneva, and Finland; that I colluded with Pugo in the putsch; and so on. All right, let us examine this once more. I have no homes, apart from the official dacha granted to me by the decision of the CIS heads of states. I have written to Koivisto asking him to find out why the wife of a former state secretary had declared that I had completed a deal with her concerning a former czarist dacha. This lie is not dreadful because it is absurd. I had no intention of buying any dacha....

As for the millions. They do exist! They are royalties for the book which appeared in dozens of countries ("Perestroyka and the New Thinking"—editor's note). Those millions exist, but I do not have them. I gave them all away, down to the last dollar. To children's hospitals and aid funds.

About Pugo. We did not see each other. And on the day that S. Belozertsev mentions, I could not have met Pugo at all: As it subsequently turned out, several people had food poisoning, including Pugo.

Next. Did Gorbachev live off party money. In the whole period that I worked in the Central Committee I received around 120,000 rubles. But, including royalties, I paid about 620,000 back into the coffers.

Private cars. Some time ago we bought a a Zhiguli for our son-in-law [zyat] Anatoliy. Now that I am a private individual I, too, am thinking of buying a car. If someone now wants to make me out to be some kind of..., I will tell you about the apartment, too. I have only just got my own apartment now—again by decision of the heads of the CIS countries. A three-room apartment. In the same building where I used to live. This is not "Gorbachev's private residence," but a block with 12 other apartments besides my own.

Now that I have become a private individual, I repeat, I will spend some of my royalties on the Foundation and some on myself and my family.

So, I think that I have spoken about all the property, embarrassing though it is. But they will not turn me into an enemy, an alien.

[Muratov] Mikhail Sergeyevich, the other day our newspaper carried a headline "What Gorbachev Began, Yeltsin Took Further"—I think you know whose favorite words those are. This was to do with a new limitation on nuclear weapons....

[Gorbachev] I saw the headline. I recognized the words.... You know, it is very good that the Russian president is continuing the policy of disarmament. This is a necessary process. I recall how they used to rebuke me—that I destroyed the Warsaw Pact and gave away East Europe. Now ask this question: TO WHOM did I give it away? To its own peoples. I think that even the president of Russia cannot escape criticism. There is only one warning that I want to give. My partner and friend G. Bush and I always knew how far this or that reduction preserved parity between our countries. There were many hundreds of experts thinking about observing parity. I do not know if parity exists now. I do not know if the U.S. measures are adequate. But parity, in my view, is necessary not just to prevent superiority itself but to prevent even the idea of military superiority from occurring.

[Muratov] I should like your prediction for the coming month so that at the end of February we can see what you got right and what you got wrong.

[Gorbachev] In the immediate future, we will find ourselves in a situation of extreme crisis unless adjustments are made to the taxation policy and the organization of production, and unless the CIS institutions of power are created. It seemed to me that Boris Nikolayevich's recent speeches spoke about adjustments of this kind. I have

many doubts, but there is still an opportunity; there is still time. May the present government have better luck than I myself had.

Meets Germany's Moellemann

LD0402114292 Berlin ADN in German 0959 GMT 4 Feb 92

[Text] Moscow/Alma-Ata (ADN)—Former USSR President Mikhail Gorbachev warned of an exacerbation of the situation in the CIS [Commonwealth of Independent States] in a conversation with Federal Economics Minister Juergen Moellemann on the evening of 3 February. Moellemann, who requested the meeting in Moscow, told journalists in Alma-Ata that Gorbachev said it is of little use to talk of possible dangers and thus perhaps only gloss over them. It is only natural that such a difficult phase of radical change should bring with it great problems, Gorbachev said.

At the same time Gorbachev expressed the concern that the process of reform could still be halted and the conditions of dictatorship restored. He therefore asked that assistance from Germany and other states be afforded not only to a successor state to the Soviet Union but also to all the members of the CIS, so that people may at least see prospects of improvement.

The former president also declared that he wants to remain active, Moellemann said. The question, however, remains open as to whether this will encompass his current scientific activity or whether it means a return to politics. Moellemann spoke of a more reserved, more reflective partner in conversation, who spoke strictly on the issues without criticizing Yeltsin or other politicians. Concerning developments in the CIS, Gorbachev said he expects that the tendencies of the republics to stay together will increase again. Here he is apparently counting on Kazakh Prime Minister Nursultan Nazarbayev, whom Moellemann plans to meet on 5 February as part of his four-day trip to Russia, Kazakhstan, and the Ukraine.

Appeal to U.S. Leaders Made by Farmers' Council

924A0502A Moscow SELSKAYA ZHIZN in Russian 21 Jan 92 p 3

[Article by TASS correspondent M. Kolesnichenko: "Appeal by American Farmers"]

[Text] New York, 22 January—The Council of Farmers' Cooperatives of the Northeastern United States appealed to the American Government to take urgent measures with a view to providing food aid for the countries of the CIS [Commonwealth of Independent States]. A statement by this organization given to the TASS office in New York notes that at present, the situation regarding the availability of foodstuffs to the populace in the CIS countries is "critical."

In the appeal, the president of the Farmers' Council, Lewis Gardner, who is currently visiting Moscow with a group of American farmers and helping to distribute foodstuffs, which arrived from New York this week, to the schoolchildren of Moscow, stressed: "The coming two months are going to be very difficult for the former Soviet republics." "If someone wants to aid the people in the CIS countries, it is necessary to do it immediately. The people cannot wait long," emphasized the American agrarian.

The statement by American farmers also includes an appeal to the American Government to place some of the accumulated surplus foodstuffs at the disposal of the CIS countries.

The Council of Farmers' Cooperatives of the Northeastern United States sent two planes carrying 10 tonnes of foodstuffs to Moscow on Monday, 20 January. As the released document of this organization notes, through this friendly gesture the American agrarians wish to show to the U.S. Government their readiness to provide considerable food aid to the CIS countries, and to prompt the American Administration to act more resolutely at present on the issue of providing urgent humanitarian assistance to the republics of the former Soviet Union.

Baltics

Interparliamentary Assembly Session Characterized

PM0302135792 Moscow KRASNAYA ZVEZDA in Russian 28 Jan 92 p 3

[Report by Colonel M. Ziyeminsh: "Demands Remain the Same"]

[Text] The first session of the interparliamentary Assembly of Baltic Countries (Baltic Assembly), which is regarded as a new level in cooperation between the three independent states, has been working for three days in Riga. Latvian, Lithuanian, and Estonian parliamentary delegations comprise the assembly. Some 20 deputies from each republic working in six committees scrutinize the Baltic states' joint projects and coordinate legislative activities.

The organizers described the question of the withdrawal of the former USSR's troops as the most important item on the first session's agenda. An appeal to the president and the Russian Federation Supreme Soviet was adopted on this subject. It has to be said that the text is couched in an extremely correct form of words. It expresses the hope that the process of talks about the troop withdrawal will take place in an amicable and constructive spirit. However, judging by the text the Baltic parliaments' demands regarding the troop withdrawal remain the same: a compressed timetable, and the troop withdrawal from the states' capitals should start forthwith...

In the course of the session a meeting took place with representatives of the Armed Forces. Among others the following took part in the discussions—Colonel General V. Mironov, commander of the Northwestern Group of Forces, Lieutenant General V. Gaponenko, commander of border troops, Colonel V. Lopatin, deputy chairman of the Russian State Committee on Defense, as well as representatives of the Air Force and air defense. It was noted that talks are taking place 28-30 January between a Russian Federation state delegation and representatives of the Baltic states on the question of the Armed Forces' status in the region. The question of the possibility of stationing Commonwealth of Independent States strategic forces in the Baltic countries has also been raised.

Caucasus

Prospects for Azerbaijani-Armenian Talks Viewed

LD0302180692 Moscow TASS in English 1747 GMT 3 Feb 92

[By ITAR-TASS correspondent Aleksandr Chelyshev]

[Text] Istanbul February 3 TASS—Russian Foreign Minister Andrey Kozyrev met with his Azerbaijani counterpart Guseinak Sadykhov and Deputy Armenian Foreign Minister Armen Navassardyan on Monday [3 February] to discuss prospects for Azerbaijani-Armenian talks in Moscow to resolve the existing problems between the two states.

Sadykhov and Navassardyan are attending a meeting in Moscow on economic cooperation in the Black Sea region.

They welcomed the idea but Sadykhov said he will inform Kozyrev about the terms of such a meeting upon his return to Baku.

Military

Withdrawal of Weapons From Kiev District Begins

92UM0474B Kiev NARODNAYA ARMIYA in Russian 28 Jan 92 p 1

[Interview with Colonel A. Koryakin, chief of staff of missile and artillery forces of the Kiev Military District, by NARODNAYA ARMIYA correspondent V. Shvyrev; place and date not given: "Strictly According to Schedule—Tactical Nuclear Weapons Are Being Withdrawn From the Territory of the Kiev Military District"]

[Text] **In keeping with the agreement among the leaders of the Commonwealth of Independent States signed in Minsk, the withdrawal has begun of tactical nuclear weapons, which are subsequently to be destroyed, from the territory of Ukraine, particularly from the bases of the Kiev Military District. This operation is being carried out by highly trained specialists with strict observance of safety measures. The first nuclear warheads from tactical missiles and nuclear artillery ammunition have already been sent to the designated point.**

Our correspondent met with the chief of staff of the missile forces and artillery of the Kiev Military District, A. Koryakin, and asked him to answer some questions pertaining to the withdrawal of nuclear weapons from the territory of the district.

[Shvyrev] Anatoliy Ivanovich, apparently there is no need to show how crucial and complicated the operation for withdrawing nuclear warheads and nuclear artillery ammunition is. A great deal has to be taken into account, thought about, and anticipated here. Therefore the first question is about what has been done on the plane of preparing people, technical equipment, and also the nuclear weapons themselves before they are transported.

[Koryakin] Undoubtedly the withdrawal of nuclear weapons is far from being a simple task. It requires, above all, that the specialists strictly observe security measures and that they take precise and coordinated actions in all stages of the performance of this task. Based on this, we have conducted an immense complex of measures whose main purpose was to check the readiness of the military servicemen for work with nuclear weapons and their ability to perform their duties without mistakes. As a result, the packing and shipping of the items was handled by people who, one might say,

can almost read each other's minds. And, as the past days and weeks have shown, everyone who participated in sending the first consignment of nuclear warheads showed a high level of professional skill.

In parallel with the testing and training of personnel, we worked to put the nuclear warheads and nuclear artillery ammunition in a minimum state of readiness that would assure their safety during transportation. All the measures planned for this were also carried out well and by the established deadlines.

[Shvyrev] If it is not a secret, tell us what kind of transportation was used to transport the nuclear warheads.

[Koryakin] From the territory of the Kiev Military District they were shipped only by rail, and not a single one of our men was required to accompany them. This task is handled by others.

[Shvyrev] From the reports shown on Ukrainian Television, many of our readers thought the nuclear warheads were located right in the units and subdivisions for combat application. Is this really true?

[Koryakin] Of course not. Nuclear warheads of tactical missiles and nuclear artillery ammunition are located at storage bases where the necessary temperature, humidity, cleanliness, and many other factors have been created and are strictly maintained. Monitoring these things is the responsibility of specialists who, among other things, take care of servicing warheads and performing standard maintenance work on them.

And another thing, which is, as it were, a digression. Among people who have nothing to do with nuclear weapons there is the opinion that a person can have contact with them only if he is wearing special protective clothing. Not at all. Nuclear charges are so safe in terms of health that our military servicemen work with them wearing ordinary lab coats.

[Shvyrev] Anatoliy Ivanovich, let us imagine the day when all nuclear weapons have been removed from the territory of the district. Then what will happen to the people, many of whom have been in the service and working at the bases for many years? Will they be discharged from the Army?

[Koryakin] That question is not being raised that way today. Although, of course, we cannot get by here without transfers, changes in the staff structure, and a partial reduction. At the same time, complete withdrawal of nuclear weapons still does not mean eliminating them instead of storing them. They will remain, since today they carry not only nuclear warheads, but there are also missiles which, as we know, are not to be destroyed. In the future they will be equipped with ordinary charges, which will also require constant attention from people. Therefore it would be at best unwise to relinquish the services of the people who are working on the bases now, the more so since it costs money to train these people. And a few more words should be said about the problem of further use of highly trained military personnel who have an excellent knowledge of their work.

[Shvyrev] So will the fate of the missile complexes that are now used to arm units and subdivisions for combat application turn out positive as well?

[Koryakin] Absolutely. Let me clarify one point. In the missile forces of the district, in addition to models of new technical equipment, there is equipment that has long outlived its day or, in other words, is obsolete. The use of the latter requires immense material expenditures on maintenance, repair, and operation. Therefore missile complexes that have been around for a long time will be written off.

[Shvyrev] And the last question. Anatoliy Ivanovich, are any difficulties or snags arising during the withdrawal of nuclear weapons from the territory of the district and what is the deadline for completing this operation?

[Koryakin] Since the first days of the withdrawal of nuclear warheads and nuclear artillery ammunition all work has been conducted strictly according to schedule and without any complications. I personally see this as a result of the deep understanding and high degree of responsibility of the people in charge of this task, which is of historic significance. These words apply fully as well to the officers of the staff of missile forces and artillery of the district, Lieutenant Colonels V. Reznikov, V. Anufriyev, N. Khakimov, and many others.

[Shvyrev] Thank you for the interview and allow me on your behalf to assure the readers of NARODNAYA ARMIYA that throughout the entire withdrawal of the nuclear weapons, they will constantly be receiving information that interests them.

[Koryakin] We do not intend to keep any secrets regarding this from the newspaper's readers. We promise to inform them regularly about all the measures that are being taken, thanks to which we are taking the first steps toward a nonnuclear Ukraine.

Officers' Assembly Council Session Observed

Action Group Formed Agenda

PM0302111392 Moscow KRASNAYA ZVEZDA in Russian 30 Jan 92 p 1

[Report by correspondent Lieutenant Colonel A. Dokuchayev: "Defending Servicemen's Interests"]

[Text] The Coordinating Council elected by the All-Army Officers' Assembly intends to defend servicemen's interests. It starts work today.

Around 130 envoys from various branches of the Armed Forces, districts, fleets, groups of forces, and military educational institutions will assemble in the Red Banner

Hall of the Central House of the Soviet Army. Commanders of subunits and units, staff officers, higher educational institution lecturers, and assistant commanders in charge of personnel make up the Coordinating Council.

A conference by the action group in charge of preparing the first session was held the day before. It was chaired by Colonel Aleksandr Fedorov, chairman of the Officers' Assembly of the M.V. Frunze Military Academy and lecturer in the Social Sciences Department. It is possible to judge from the discussion which took place the questions which will be the major ones at today's session.

The members of the action group, and more than 20 of them assembled, proposed about a dozen items for the agenda. A dispute immediately flared up over them. Doubts were immediately raised as to whether it is necessary to start work on new statutes for the Officers' Assembly at such a difficult time. Thanks to the endeavors of Lieutenant Colonel S. Akhundzyanov and certain other speakers, those present were persuaded that it was not at all opportune to propose that the Coordinating Council work on this question and that efforts must be focused on discussing the package of documents which the Armed Forces High Command [Glavkomat] is preparing and which will be submitted for examination to the heads of state in Minsk 14 February. This, incidentally, was also the will of the All-Army Assembly. The action group accepted the speakers' arguments and will make appropriate propoosals to the session today.

As a result it was resolved to submit for discussion the following agenda: On 30 January the assembly will examine questions regarding temporary standing orders and the powers of Coordinating Council members, plus the election of leading organs; on 31 January it will concentrate on discussing the documents under preparation for the heads of state and consider how to communicate the Army community's voice to the leadership of the Commonwealth of Independent States. The agenda will, of course, include other items, and time is therefore allocated them under standing orders.

Agreement was reached on the election of the leading organs. The action group intends to propose that the council elect one chairman, two cochairmen, and eight presidium members.

Judging by the work of the action group, disagreements could arise on other items. And all hopes are pinned on business being better organized than was the case at the All-Army Assembly.

The process of vesting the Coordinating Council with legal powers is viewed differently. Thus it was proposed that the All-Army Assembly (and correspondingly the Coordinating Council too) be registered as a public organization. Then they came to the opinion that it was best to regard the assembly as a self-administered officers' organ, and the council's powers could therefore be confirmed by order of the commander in chief of the Armed Forces. But while some thought that way, other conference participants said, it turns out, that members of the commander in chief's delegation, rather than representatives of the officer community, will be going to Minsk.

As yet the powers of the actual council members have not been defined, because some candidates have been confirmed by the assembly, and others delegated by branches of the Armed Forces, districts, fleets... And according to different quotas, since this question was muffed, as it were, on 17 January.

In short, I would like to hope that the good organization characteristic of officers will make it possible to concentrate on the main issues worrying the officer corps and find mutually acceptable ways to defend servicemen's interests in all the Commonwealth states.

Defend 'Honor,' 'Dignity'

PM0402111992 Moscow KRASNAYA ZVEZDA in Russian 31 Jan 92 p 1

[Report by Lieutenant Colonel A. Dokuchayev and Lieutenant Colonel V. Zyubin: "Attitude Toward Defenders of the Fatherland will Determine Stability of Commonwealth. Coordination Council Elected by All-Army Officers' Assembly Has Begun Work"]

[Excerpts] [passage omitted] Certain mass media have kicked up a fuss: The military are setting up their own party and their own central committee—the Coordination Council—and are trying to interfere in politics. However, both the assembly itself and the council session which opened yesterday show that the Army is not striving for power and that representatives of the Army and Navy public are acting strictly within the framework of the laws. The fact that they passionately want to defend the honor and dignity of uniformed people is quite a different matter. [passage omitted]

It was in this context that Lieutenant General Pavel Grachev, first deputy commander in chief of the CIS [Commonwealth of Independent States] Armed Forces, who opened the Coordination Council session, delivered his speech. He noted that we, the military, serve the Fatherland and that speculation that the military are setting up their own party is groundless. The task of officers' assemblies is to help the command in all questions—above all, in rallying and consolidating friendship within officer collectives and in defending servicemen's honor and dignity. P. Grachev stressed that the Armed Forces' future is still insufficiently clear. We hope that the CIS leaders will reach a common view by 14 February, he said.

One hundred and twenty-six people were elected to the Coordination Council. One hundred and fourteen participated in the first session. The agenda was confirmed. The main questions raised for discussion concern the draft package of documents for the conference of heads

of state in Minsk 14 February; the statute on the Coordination Council; and the election of the council's leading organs.

Council Function Outlined

PM0302141592 Moscow KRASNAYA ZVEZDA in Russian 23 Jan 92 p 2

[Interview with Colonel A. Zyuskevich, deputy chairman of the Committee for Personnel Work, by correspondent Lieutenant Colonel A. Dokuchayev; date and place not given: "...And Take Part in Talks"]

[Text] As is well known, the All-Army Officers' Assembly has elected a coordination council. When will it start work? What are its plans? Colonel A. Zyuskevich, deputy chairman of the Committee for Personnel Work, answered these and other questions by our correspondent.

[Zyuskevich] Members of the coordination council will meet for their first session in the near future. At the moment, all participants in the All-Army Officers Assembly are back in their units. As I understand it, their main task is to convey the substance of the discussion to the officer corps.

The coordination council has basically been formed. But several military training establishments and military districts did not have all their candidates elected at the assembly. So additional elections are now being held and our committee kept informed of the results.

[Dokuchayev] You say that the telephone never stops ringing in the Committee for Personnel Work. Could you and your colleagues not be accused of trying to take charge of the coordination council?

[Zyuskevich] The commander in chief of the Armed Forces made our committee responsible for organizing and holding the All-Army Officers' Assembly. I cannot see how we could infringe the coordination council's rights by helping it with organizational matters. After all, its members—and there will be about 100 of them—have to be assembled, accommodated, and given premises in which to work; the chairman and presidium have yet to be elected. The council is an independent structure and will make all the decisions itself. Our task is to give it a helping hand.

[Dokuchayev] Aleksandr Yevgenyevich, judging by the telephone calls to our editorial office, many officers are unclear about the council's status.

[Zyuskevich] Anyone who closely followed the proceedings at the All-Army Officers' Assembly will have noted that the various aspects of the council's work were very roughly defined in the assembly's final document and in Marshal of Aviation Yevgeniy Shaposhnikov's remarks. The council will expect to be involved in dealing with servicemen's social problems and questions connected with the current reform of the Armed Forces. The intention is that, together with the commander in chief, the council could take part in talks on defense issues between the Commonwealth's heads of state.

The draft statute on the coordination council was discussed by representatives of the All-Army Officers' Assembly but, understandably, was not adopted—due to lack of time. More work will be done on it by members of the council. I think General Staff specialists with a great deal of experience of forming all kinds of structures and finalizing documents should be involved in the drafting of this statute.

[Dokuchayev] Will it be a standing council?

[Zyuskevich] I can only speculate. If it has some 100 members, it will be the size of a central directorate. Is there any need to create another unwieldy structure at a time when staff cuts are being made? It would probably be more sensible if just the chairman and a presidium of six or seven people were to be released from their main official duties to work on the council on a permanent basis. They would coordinate the work of all the council members (who, I am sure, have plenty to do at local level), represent the council in the negotiating process, collaborate with the commanders in chief, and so forth. The council itself would meet periodically.

[Dokuchayev] Some of the mass media are suggesting that the coordination council is a political instrument for the Army and that, once it starts work, the Army will become a political force...

[Zyuskevich] If anyone is afraid that the Army may seize power, I would like to draw commentators' attention to the words of Marshal Shaposhnikov, who said at the assembly that he would never allow "anyone to be deposed or brought into power with the aid of bayonets." In my view, there is no need to fear the word "politics" being applied to the Army. The future of the Armed Forces is being decided by political means, in talks, and it can only be of benefit if the Army community is involved in these talks.

Navy Expresses Urgent Concern Over Flag Issue

PM0302134392 Moscow SOVETSKAYA ROSSIYA in Russian 30 Jan 92 p 2

[Article by A. Orlov and V. Zaborskiy: "Under Which Flag? What They Are Talking About in the Wardrooms"]

[Text] Of all the topics of conversation in naval wardrooms, there is one which is the most urgent today. More urgent than the political games surrounding the Black Sea Fleet which are demoralizing the sailors. And the oaths which they are being asked to choose between. This theme is heating the atmosphere to the limit: It is the debate about flags. From the wide range on offer today, which is the single flag that ships should carry on the world's oceans?

Remember the applause that B. Yeltsin received at the All-Army Officers' Assembly when he gratified sailors'

feelings by stating that henceforth the Navy's ships will take to sea under the St. Andrew's flag.

Applause is all very well: It has long been time to revive this symbol of Russian naval glory but, apparently, it has not been all that easy. Sailors cannot help wondering: Today's, that is to say, yesterday's naval flag—is that not also covered with the glory of the fatherland's Navy? Many people are distressed at the mere thought of having to part with it as though it were in disfavor. Yet it was under that flag that the Navy met that grim morning in June 1941 fully armed. It was under that flag that sailors protected Sevastopol and Odessa, defended Leningrad, and stormed Malakhov Kurgan and Sapun Hill. And the first Soviet "round the world" nuclear submarines also sailed under that flag.

Nevertheless it is disgraceful and inhuman to so casually swap one sacred symbol for another. Furthermore, it is generally recognized that the Navy's blue and white flag is one of the most beautiful in the world. Perhaps the wisest thing to do, as sailors are saying, is to retain this flag while also reviving the St. Andrew's flag. To combine and fuse the ancient glory of the St. Andrew's Cross with the equally unquestionable glory of the naval flag which is now to be saluted on board ships.

There is another matter which troubles the wardrooms: How to preserve the Navy for all the republics of the Commonwealth? Perhaps by changing the status of the Navy? The special status which, in fact, it had from the moment of its creation? By the direct subordination of the whole Navy to the CIS [Commonwealth of Independent States] Defense Council or the corresponding organ—in addition to the Supreme High Command of the CIS Armed Forces. A similar independent organization existed prior to 1917. And again from the late thirties through 1954.

Navy To Bill Baltic States at Negotiations

LD0302051992 Moscow POSTFACTUM in English 1903 GMT 30 Jan 92

[From the "Military News" section]

[Text] The Navy intends to render a 40 billion ruble bill at the negotiations with the Baltic states. Representatives of the Navy headquarters informed PF [POSTFACTUM] correspondent that this is the estimated amount of all Navy installations in the Baltic republics in 1991 prices. The amount includes the value of hydrotechnical devices, developed beacon navigation system employed by the Baltic states with non-currency payment, housing fund constituting half of all Navy housing resources. Besides, Navy experts believe that the settlement with Latvia, LIthuania and Estonia should be made with consideration of pre-1956 mine-sweeping operations, the work of navymen in agriculture and the cost of training of national experts currently practicing at Navy units.

According to some information, representatives of the Baltic states assume that the damage from Soviet Army and Navy presence in their countries exceeds the value of left facilities and other expenses.

Economic

Currency Demand Falls; Ruble Rate 'Will Rise'

PM0402103592 Moscow KOMSOMOLSKAYA PRAVDA in Russian 1 Feb 92 p 2

[Article by Ye. Anisimov: "Why Is Dollar Falling?"]

[Text] The dollar has started to cost slightly less, that is a ruble or two less: On the Moscow noncash currency market for the second week now the dollar exchange rate has been maintaining an extremely precarious equilibrium at the 230 ruble mark; on the Baltic markets it has gone down to 203 noncash rubles.

Why?

Having invested virtually all their assets in dollars (counting on reselling them to advantage when the ruble next falls), currency speculators today are dreaming of at least regaining what they have lost. The savings bank is buying freely convertible currency from the population at a rate as close as possible to the market rate—110 rubles [R] a dollar—while commercial banks are paying even more and the Moscow interregional commercial bank has begun the free sale of currency to all who want it.

The ruble exchange rate was reduced artificially and for a long time the Russian Central Bank had neither the power nor the opportunity to exert any tangible influence on the situation. But now the Russian Central Bank has for several deals in succession implemented currency intervention immediately as soon as the ruble exchange rate is threatened, thus retaining relative equilibrium.

The frenzied demand for hard currency has declined in the Baltic states and primarily in Estonia. Expecting the introduction of a national currency—the krona—the enterprises were intensively discarding rubles and buying freely convertible currency. But the krona has not appeared and there are many dollars in people's accounts, but rubles are in short supply. Yet accounts between enterprises have to be conducted in rubles. A similar situation is taking shape in Lithuania, where the state bank can purchase dollars only at an exchange rate of R100.

Yuriy Petrov, chief of the Russian foreign economic relations committee economic administration, believes that the ruble's exchange rate against the dollar will rise because of the appearance at currency auctions of substantial sums sold by Russian enterprises as part of their profit from exporting output.

The ruble is weak because plants, apartment blocks, land, and so forth do not figure in ruble circulation. As

soon as they go on sale the ruble exchange rate will rise with almost the same speed at which it fell.

Media

TASS Carries Press Review for 3 Feb

LD0302055592 Moscow TASS in English 0544 GMT 3 Feb 92

["Press Review"—TASS headline]

[Text] Moscow February 3 (ITAR-TASS)—Today's newspapers highlight the recently-concluded tour of Britain, the United States and Canada by President Boris Yeltsin of the Russian Federation, his participation in the United Nations Security Council summit in New York, and the Russian president's working meeting with U.S. President George Bush at Camp David.

"We Are Ready for a Continuation of Partnership" is the headline under which ROSSIYSKAYA GAZETA runs the full texts of Boris Yeltsin's address at the UN Security Council summit and his remarks at a news conference at the UN.

The same newspaper summarises the Camp David declaration of the U.S. and Russian presidents, Bush's news conference at the close of his talks with Yeltsin at Camp David, and carries an ITAR-TASS account of the Russian president's talks in Canada.

"Having paid the ritual honours to the president of Russia as successor to the Soviet Union, the West at the same time is well aware that Russia is not the same as the Soviet Union was. Gorbachev had addressed the United Nations as the president of the USSR, Yeltsin represents Russia, the outer borders of which are blurred, and which is bursting on the inside," points out PRAVDA in comment of the Russian president's tour abroad.

Emphasising that "in charisma Yeltsin is up to Gorbachev while in resoluteness he will by far surpass him", the newspaper expressed an opinion that Yeltsin, "it seems, is winning the race for popularity in the West among the leaders of the republics of the former Soviet Union".

"A non-deficit budget is not an end in itself. The main thing now is to get on the rails of a normal market economy as calmly as possible, without undue stresses, and not to bring about dangerous situations fraught with a socio-economic outburst," Pavel Bunich, a prominent Russian economist, said in a PRAVDA interview in response to the newspaper's request to comment on Russian parliament chief Ruslan Khasbulatov's meeting on Saturday [1 February] with the country's noted economists.

The scholar emphasised the need to urgently coordinate the state programme. He regards a weak social protection of people as the main flaw of the programme.

"Things have taken an unexpected turn in the case involving the self-proclaimed state-of-emergency committee," writes ROSSIYSKAYA GAZETA, reporting that former KBG chief Vladimir Kryuchkov, who is now under arrest, has demanded a refutation of information shown in the British film "The Second Russian Revolution" broadcast on Russian television in December 1991.

He argues in particular that allegations that he had arranged to listen into Gorbachev's and Nazarbayev's talks with Yeltsin at Novo-Ogarevo on July 29-30, 1991, "are a sheer invention". He regards the former Soviet president and the president of Kazakhstan as "offenders" and demands that they refute the information. However, Kryuchkov has no grievances against the makers of the film.

The press continues to discuss the subject of the liberalisation of prices and the population's reactions to it. "January has not made us either happier or richer but thoroughly shook our life," PRAVDA writes in this connection. "We now know quite well the meaning of the freedom of prices with the undivided monopolism of producer and trade".

Expert estimates are that the cost of goods and services grew six-fold within the month, the newspaper points out.

PRAVDA reports that the Russian Government has mapped out a number of measures to complete the construction of the Baykal-Amur main railway line as well as the Berkakit-Yakutsk railway. Both construction projects are now reckoned among republican state priorities, the newspaper points out.

In their international news sections newspapers run information from Yugoslavia, Latin America, the Middle East and other flashpoints in the world, and report a decline in the popularity of President Bush in the United States, with reference to the findings of a public opinion poll taken at the request of TIME magazine.

Moscow Press Review for 4 Feb

LD0402064592 Moscow TASS in English 0634 GMT 4 Feb 92

["Moscow Press Review"—TASS headline]

[Text] Moscow February 4 (TASS)—Commenting the results of Russian President Boris Yeltsin's overseas visit, NEZAVISIMAYA GAZETA writes:

"While nuclear Russia soon elicited understanding and money, market Russia did not get much. Only Major and Mulroney displayed loyalty to the economically-doomed Russian president. Other members of the "Seven" have so far refused to be involved in setting up a stabilisation fund for Commonwealth currencies."

A KOMSOMOLSKAYA PRAVDA commentary on the trip said:

"The Kremlin's foreign policy is still 100 per cent geared towards the United States."

KOMSOMOLSKAYA PRAVDA carries a brief statement by Aviation Marshal Yevgeniy Shaposhnikov, who said:

"Russia and the United States have declared that they are no longer regarding each other as enemies, we are now allies. As for potential enemies, we do not have any. Our doctrine can be formulated as "defence on all azimuths".

"If in the past five years foreign policy was clearly ahead of domestic (policy), currently, the level and character of mutual relations with leading world powers is far higher and better than within the Commonwealth of Independent States," KRASNAYA ZVEZDA writes.

"It is not accidental that several news organisations pointed out that other sovereign states can feel inhibited as a result of Russia's foreign policy successes," it said.

In an article, dealing with the prospects and likely results of strategic offensive weapons cuts, KRASNAYA ZVEZDA points out:

"There is a danger that strategic offensive weapons could lose their deterrence capability—the ability to defend the state. If it is decided that after many centuries when our people were able to defend themselves we no longer need this (capability), the solution is very simple indeed—there is no need to worry about strategic offensive weapons, they can be reduced, or totally eliminated, even unilaterally. However, if such an approach is unacceptable, new solutions should be found, and there are such solutions at hand."

KRASNAYA ZVEZDA carries an interview with Armed Forces Finance Department chief V. Vorobyov, who speaks about a new military budget.

The emphasis is clearly put on social issues. If in 1990, 36 per cent of the military budget were spent for wages, pensions, and housing construction, in the first quarter of 1992, these expenses will account for some 70 per cent, the general said.

RABOCHAYA TRIBUNA carries the results of a public opinion poll, conducted by its experts and the Russian Academy of Sciences in the Commonwealth of Independent States. The majority of those polled said the Soviet Union broke apart due to subjective, rather than objective reasons. Three-fourths blamed the break up on ambitions of local and federal leaders. Two-thirds said the creation of the Commonwealth of Independent States was a badly-orchestrated move that would only worsen tensions between various peoples. More than two-thirds of respondents said they wanted to be USSR citizens.

"The liberalisation of prices, and in fact, their increase by 10 to 30 times has led to sharp changes in public food consumption," SOVETSKAYA ROSSIYA writes. The amount of calories, consumed on average by Russians fell by 1.3 times, it said. "The situation has become catastrophic," it added.

PRAVDA caries a story about a research institute, specialising in developing new anti-infection drugs. State funding for research programmes has been reduced, affecting the institute's performance, it said. Where will scientists with unique experience find employment, perhaps where it is valued most—overseas? The newspaper asked.

KOMSOMOLSKAYA PRAVDA carries an interview with parliamentarian Vladimir Lukin, recently appointed Russia's ambassador to the United States.

"I would have never agreed to take any diplomatic post, that is except this one. The road we will choose will to a great extent depend on America," Lukin said.

NEZAVISIMAYA GAZETA runs an interview with France's ambassador to Russia Bartrand Dufourcq, who said President Boris Yeltsin will be extended a very warm welcome during his forthcoming visit to Paris.

International Affairs

Yeltsin Returns to Moscow, Comments on Trip

LD0202140492 Moscow TASS International Service in Russian 1335 GMT 2 Feb 92

[By ITAR-TASS correspondent Leonid Timofeyev]

[Text] Moscow, 2 Feb (ITAR-TASS)—Russian Federation President Boris Yeltsin today arrived back in Moscow after his visits to Britain, the United States, and Canada.

At Vnukovo Airport he told reporters that his visits involved a heavy workload and had been productive. Speaking of his meetings with U.S. President George Bush, Boris Yeltsin stressed that the principal outcome is the mutual understanding achieved. The Russian president also commented that aid to Russia, especially food deliveries, is expected to be increased following his contacts with Western leaders.

Asked by an ITAR-TASS correspondent whether the United States intends to drop SDI research in favor of a global security system in space, Boris Yeltsin replied that George Bush found his idea on setting up such a system "tempting." He stated that specific proposals in this regard are being drawn up by experts. In addition, Boris Yeltsin noted, U.S. Secretary of State James Baker is to arrive in Moscow in two weeks' time to discuss an entire range of disarmament issues, including a space-based security system.

Bush 'Highly Assessed' Camp David Talks

LD0302135292 Moscow TASS in English 1213 GMT 3 Feb 92

[By ITAR-TASS correspondents Stanislav Lunev and Sergey Babich]

[Text] Washington, February 3 TASS—President George Bush highly assessed the recent Camp David talks with Russian President Boris Yeltsin at an unofficial meeting with state governors in the White House on Sunday [2 February]. He said he regarded the talks as the most dramatic event amidst the current world changes.

Bush said the Russian Federation was confronted with major problems, but many things happening there deserved profound respect, primarily Russia's efforts to safeguard world peace.

The U.S. President believes the talks with Yeltsin have shown that he really wants the current reforms to be implemented, is eager to bring democracy to his huge Federation and to ensure its progress on the basis of liberty.

New York February 3—Interviewed by the CNN TV Company, U.S. Defense Secretary Richard Cheney said that President Bush's meeting with Boris Yeltsin was friendly and warm. He believes this is perfectly understandable, since Yeltsin is the first Russian leader in the country's agelong history, who became president as a result of democratic elections. Cheney said the meeting was very useful.

Asked whether any further nuclear weapon cuts were needed, Cheney said there was no doubt about it. He believes it is worth doing it.

According to Cheney, Secretary of State Baker will go to Moscow within the next two weeks, accompanied by representatives from the Pentagon, who will discuss with the Russians in detail all the problems linked with subsequent steps to cut armaments.

The secretary of defence said that the two countries now had relations that could not be compared to anything in their past histories.

U.S. Ambassador to the Russian Federation Robert Strauss told the CNN that all the world wanted Yeltsin's positions to be strengthened, wanted him to become stronger, more popular with his people and more effective in his endeavours. He said the U.S. was interested precisely in such a partner. In Strauss's opinion, President Bush and Secretary of State Baker share this view.

The New York "NEWSDAY" published a report on Yeltsin's and Bush's meeting under the title "Russia and the United States Are Friends Today". The newspaper says that after the meeting both leaders had declared themselves friends and allies in the forthcoming "new era".

Yeltsin Impact on UNSC Meeting Viewed

PM0302154392 Moscow IZVESTIYA in Russian 3 Feb 92 Morning Edition p 4

[Report by Aleksandr Shalnev: "Russian President at UN Security Council [UNSC] Session"]

[Text] New York—The heads of state and government of the 15 member countries of the UN Security Council [UNSC] have confirmed the increasing importance of the role that the council is called upon to play in a world rid of the "cold war", but they did not adopt specific decisions that can help them to play this role effectively.

For a total of just over five hours on 31 January the presidents and prime ministers listened to each other's speeches—almost every speech mentioned the great significance of the Security Council's special session. There really has not been such a thing in the history of the United Nations: Council sessions have never been held at such a level although corresponding proposals have been made repeatedly.

As the final document of the summit meeting acknowledges, the very serious changes occurring on the planet not only increase hopes "of a more secure, more just, and more humane world" but are also fraught with "new threats to stability and security—threats that are, in

particular, the result of changes in state structures." "The Security Council members," the final declaration of the New York meeting stated, "will give all possible encouragement to any efforts designed to help to achieve peace, stability, and cooperation."

Some speeches at the session aired not just specific proposals but also ones that are liable to be implemented right now. In particular, President Francois Mitterrand proclaimed France's readiness "to place at the council's disposal for the fulfillment of peacemaking missions—with preliminary notification 48 hours in advance—up to 1,000 of its own troops with a subsequent doubling of the number no more than a week later."

Mitterrand also pointed to the need to resurrect the UN Military Staff Committee, which not once in all the 47 years of its existence has fulfilled the functions entrusted to it by the UN Charter. Moscow's attempts—during the period of Gorbachev's rule—to let the committee work and to make it possible for it to prepare for operations requiring the use of UN troops did not produce any results apart from purely propaganda results.

It seems to me that the caution displayed at the council session is accounted for to a considerable degree, albeit not entirely, by the very severe financial difficulties. Precisely in time for the session the UN Secretariat disseminated information reminding people that the member countries' aggregate debt is of the order of $900 million. One of the first places among the debtors is held by Russia, which has inherited from the Soviet Union not only its seat at the United Nations and on the Security Council but also huge debts, which increased precisely on Friday by approximately $150 million. By that date we were to have made but, to all appearances, did not make our contribution to the UN regular budget for 1992.

Without money there is no point in counting on the implementation of measures designed to raise the United Nations and its Security Council to the level of present-day demands, and money questions remained not just unresolved but also even undiscussed at the special council session.

Commentators are unanimous: the Russian president was of the greatest interest to them. The news conference which he held gathered together far more journalists than the joint conference by Butrus Ghali and British Premier John Major, who chaired the session.

Boris Yeltsin made a very favorable impression. From many U.S. and foreign colleagues who covered Yeltsin's two previous visits to America and who were very restrained in their praise at that time, to put it mildly, I heard high assessments this time.

Yeltsin made an unexpected announcement, as though by chance: Russia's ambassador to the United States has been appointed—"he is the person sitting on my right at the table."

A brief conversation was held with Vladimir Lukin, who is to be the Russian Federation's ambassador to Washington. It came to light that Yeltsin had signed the decree on his appointment literally a few hours before flying to London from Moscow. Lukin, chairman of the Russian Parliament's Committee for International Affairs and Foreign Economic Relations, will renounce his post as chairman but will remain a member of parliament.

'Worthy' Speech Reviewed

LD0302143392 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0900 GMT 3 Feb 92

["Our commentary" presented by P. Kuznetsov; from the "Novosti" newscast]

[Text] [Announcer Pavel Ogorodnikov] Boris Yeltsin, after his tour of Britain, the United States, and Canada, returned to Moscow yesterday. The BBC reports that though the president of Russia did demonstrate his ability as an international statesman fighting for disarmament he has nevertheless returned to Russia without any firm promises of aid from the West. Our commentary:

[Begin Kuznetsov recording] After many hours of talking at Camp David, President Bush said of Yeltsin: The problems confronting him are huge, but I am convinced he will succeed if he receives proper support from world. That appears to be the crux of the American position: Russia needs help but America's capabilities are limited, so you have to try to involve others as well. As for a Marshall Plan for Russia—that is, broad involvement of U.S. businesses in reshaping our economy—the main condition for this is that we should have political stability here at home. However, blood is being shed in the Commonwealth; there are questions about the fate of a single currency; the single economic space is creaking at the seams; and the voices of those calling for a return to the past are being raised ever louder. Important as foreign loans and credits and humanitarian and other kinds of aid may be, what is also striking is that we have an enormous number of people here at home, people from among those prepared to defend the new line, who are not involved. Among them are many good minds—academics and economists, politicians and entrepreneurs—who have found themselves out of things only because there is no place for them in the Russian power structures. To give such people the opportunity to express themselves is no less important than attending to anxieties over atomic scientists the West believes may be ready to sell themselves to dictators and make atom bombs for them in return for hard currency. The more of these people we have standing on the sidelines the more illusory the chances for the reforms become.

At the Security Council Yeltsin delivered a worthy speech and beyond any doubt earned himself a fitting place in the ranks of the world's political figures. Even so, the country he heads continues to evoke apprehensions. The West now has an ally—but one that is gravely

ill. [end recording] [video shows scenes from Yeltsin's trip to the United States, lines in Russian cities, missiles in silos]

PRAVDA Details Results of Yeltsin Trip

PM0302153192 Moscow PRAVDA in Russian 3 Feb 92 p 4

[Report by Vladislav Drobkov: "From New York to Camp David. Guidelines for World Development in Years Ahead Outlined"]

[Text] Washington, 2 Feb—It would be hard to find two more dissimilar places: the soaring skyscrapers and human anthill that is New York, and the wooded unpopulated foothills of Camp David. The bustle, noise, and stress of a huge city and the precious peace of a winter park....

However, at the end of last week these two such different points on the U.S. map attracted general attention and were linked by an unseen thread. The megalopolis on the Hudson and the quiet of the U.S. presidential retreat in the foothills of the Appalachians were both venues for a discussion of the same problems—the dramatic changes which have taken place in the world in the past few months, the collapse of the USSR, and the emergence on the world arena of a dozen or so new independent states. The president of the largest of these—Russia—took part in an unprecedented UN Security Council session in New York at heads of state and government level, and then had a working meeting with the U.S. President at Camp David. He thereby reaffirmed the Russian Federation's role as the successor to the USSR as a permanent member of the UN Security Council and as the second largest nuclear power. This confirmation was not merely in line with the Russian leadership's desire to take its rightful place in a world community shaken by the rapid and, for many people, unexpected collapse of one of the superpowers. The world community itself has been striving to get firsthand information as quickly as possible about Russia's intentions and to discuss the possible impact of the upheavals taking place on the territory of the former USSR and their effect on the international situation.

This informations has been obtained. Speaking at the UN Security Council session, B.N. Yeltsin reaffirmed Russia's readiness to resolutely cut its nuclear arms and to continue to prevent any proliferation [raspolzaniye] of mass destruction weaponry. The Russian president emphasized the desire to develop mutually advantageous good-neighborly relations with all countries. Russia, he stated, sees Western states not only as partners but as its allies. This is a fundamental prerequisite for a revolution in the sphere of peaceful cooperation between progressive states, he noted.

As if reinforcing his desire to move from a partnership relationship to an ally relationship with the Western countries, the Russian president put forward an initiative which has produced a wide reaction and sometimes contradictory commentaries here. B.N. Yeltsin proposed setting up a global security system based on the U.S. strategic defense initiative (SDI) and the ABM defense technology held by the successors to the USSR. Even the U.S. military seemed flabbergasted by this idea. Commenting on the prospects for strategic cooperation between our two countries, Pentagon chief R. Cheney stated that hitherto "we were not ready to go further than a very limited exchange—in the sphere of missile launch early warning, for example." He expressed hesitation about U.S. readiness to enter into this kind of collaboration.

On the other hand, Marshal Ye. Shaposhnikov, commander in chief of the CIS [Commonwealth of Independent States] Armed Forces, who was accompanying the Russian president on the tour, was totally resolute. In an interview with journalists at UN Headquarters in New York, he stated that we should not be hostage to our old, unfriendly relations, and that we would be entirely capable, together with the United States, of creating a system which would prevent any "unsanctioned use" of nuclear weapons by "third countries." Such a system, in the marshal's opinion, could be based on the space systems [sredstvo] developed [razrabotannyy] by the Americans and on the ground-based ABM systems developed [razrabotannyy] by Russia.

It is not hard to imagine the reaction that such a joint program could have in "third countries." It is no accident that local commentators are now writing about the unprecedented change in Moscow's position vis-a-vis the U.S. "star wars" program, and THE WASHINGTON POST described B.N. Yeltsin's speech as the "most dramatic speech heard at Friday's [31 January] UN Security Council session."

"We want to start a new era today by stating that the United States and Russia are no longer potential enemies!" the Russian president told the frozen journalists as soon as he got out of the helicopter which had ferried him to the U.S. President's country residence at Camp David 1 February.

B.N. Yeltsin and G. Bush met the press some three hours later. It was clear from their appearance that they were both pleased with the talks. "This historic meeting is further confirmation of the end of the 'cold war' and the start of a new era," the U.S. President said, opening the brief news conference. "Russia and the United States are moving to a new relationship based on trust, adherence to economic and political freedom, and firm hope in genuine cooperation," he continued. G. Bush said that he had invited B. Yeltsin to pay an official visit to the United States this spring. The invitation has been accepted. For his part, the U.S. President also accepted an invitation to subsequently pay an official visit to Russia.

Judging by the two president's replies to the journalists' questions, they held a wide-ranging exchange of views on

many problems of bilateral relations—from humanitarian aid to the fate of strategic arms. B. Yeltsin reported that all tactical weapons had already been moved from Kazakh to Russian territory. The withdrawal of these weapons from Belarus is nearing completion. Tactical weapons will have been withdrawn to Russian territory from Ukraine by 1 July. The problem of strategic missiles is also being resolved.

The previous report that the former Soviet nuclear missiles are no longer targeted on the United States was confirmed. The U.S. President was asked whether Washington intended to follow the Russian example. G. Bush promised that this problem was being looked into....

Answering a PRAVDA correspondent's question about whether the question of the joint development [sozdaniye] with the United States of a strategic security system was discussed, the Russian president said that such a discussion had taken place. George Bush, B.N. Yeltsin stated, reaffirmed that "this subject is exceptionally important and it would be interesting if we were to operate these systems on a mutual basis and perhaps even with the participation of other nuclear powers." This requires specific and very detailed examination by specialists, he said.

The presidents reported that agreement had been reached on continuing the discussion on bilateral problems at the foreign ministerial talks to be held in the very near future. U.S. Secretary of State Baker will arrive in Moscow in mid-February to this end. G. Bush reaffirmed that the United States supports Russia's membership of the IMF.

B. Yeltsin stated that he had not come to the United States to "hold out his hand and ask for aid." "We are calling for cooperation," he stressed, "cooperation for the sake of the whole world. Because if reform in Russia were to be choked off it would mean that the 'cold war' would turn into a 'hot war.' There would again be an arms race, there would again be the kind of regime which we have only just gotten rid of. This must not be allowed to happen. That is why the entire world community should participate in the reforms," the Russian president said.

New Ambassador Lukin on Stronger U.S. Ties

OW0302141292 Moscow INTERFAX in English 1330 GMT 3 Feb 92

[Transmitted via KYODO]

[Text] "I feel greatly honored to have been appointed the democratic Russian state's first ambassador to the U.S. and represent the president and parliament elected by the people," Vladimir Lukin told IF [INTERFAX] correspondent Vyacheslav Terekhov. He also noted that among his priority tasks will be that of ensuring further rapprochement between Russia and the United States. "I will do everything I can to secure America's maximum assistance in our efforts to consolidate democracy," he said.

"The most important thing is to secure real not merely verbal support for our reforms from American business quarters," said Vladimir Lukin.

He said that it was important to influence the U.S. public opinion and make it believe that the new Russia is committed to human rights. In his opinion, it would be expedient to allow the former political prisoners to visit America and speak about real changes in the human rights sphere here in Russia. "In short, I come out for all-round cooperation, for trust and for stronger friendship between our nations," Vladimir Lukin said in conclusion.

More Ambassadors Selected

OW0302163292 Moscow INTERFAX in English 1523 GMT 3 Feb 92

[From the "Diplomatic Panorama" feature—transmitted via KYODO]

[Excerpts] Russian President Boris Yeltsin has made several new appointments in the Russian diplomatic service. [passage omitted]

Artur Kuznetsov has become the Russian ambassador to Estonia, Nikolay Yelizarov to Venezuela and the Dominican Republic, Yuriy Fadeyev to North Korea and Sergey Razov to Mongolia.

Yeltsin Nominated for 1992 Nobel Peace Prize

LD0302193592 Moscow TASS International Service in Russian 1835 GMT 3 Feb 92

[By ITAR-TASS correspondent Valeriy Loskutov]

[Text] Oslo, 3 Feb (ITAR-TASS)—The Norwegian Telegraph Agency [NTB] reported today that Russian Federation President Boris Yeltsin has been nominated as a candidate for the 1992 Nobel Peace Prize. A representative of the Nobel Institute reported the nomination to the NTB. B. Yeltsin's candidacy was proposed by Egon Klepsch, chairman of the European Parliament.

German Economic Minister Meets With Gaydar

LD0302164192 Berlin ADN in German 1427 GMT 3 Feb 92

[Text] Moscow (ADN)—FRG Economic Affairs Minister Juergen Moellemann is confident that the differences of opinion between Russia and Germany on the supply of natural gas can be settled. After his first talk with the Russian Vice Premier Yegor Gaydar at the beginning of a four-day visit to Russia, Kazakhstan, and the Ukraine, Moellemann said in Moscow on 3 February that there was discussion of "some controversial questions" relating to this topic.

Referring to a letter from Gaydar to the Federal Government, which the Russian press had reported on the same day, the FDP [Free Democratic Party] politician said that there was nothing in it which "might be in the nature of a threat".

Newspaper reports said that Russia intends to stop gas supplies to eastern Germany unless prices are increased. According to the minister, this topic will be dealt with this afternoon by experts of the relevant ministries of both countries and the enterprises involved.

In the talks with Gaydar, the forthcoming first session of the joint consultative committee in Bonn on 18 February was also discussed. The formation of five working groups, which are to address the main topics of that committee session such as cooperation in oil and gas, foodstuffs, chemicals and pharmaceuticals, as well as trade was agreed. The establishment of an additional working group which is to deal with the possibilities of armaments conversion was also agreed.

Moellemann and Gaydar also discussed the fate of 15 ships built in the ex-GDR for the Soviet firm Sudoimporta, which cannot be paid for due to a shortage in hard currency. Russian Industry Minister Aleksandr Titkin announced that the fishing vessels will be bought by Russia. However, the issue of the freighters still has to be cleared up.

This afternoon Moellemann will have talks with the Chairman of the Committee of External Trade Relations. Parallel to this, representatives of 30 firms are holding negotiations on potential cooperation projects.

Moellemann will travel to Alma-Ata this evening.

Oil, Debt Payments Reviewed

LD0302211192 Moscow TASS in English 1844 GMT 3 Feb 92

[By ITAR-TASS diplomatic correspondent Sergey Ryabikin]

[Text] Moscow February 3 TASS—German Economy Minister Juergen Moellemann has no illusions on the current state of Russian reforms, but believes his country should "contribute to constructive changes".

The minister told reporters on Monday [3 February] he had discussed all possible issues of economic cooperation with Russian Deputy Prime Minister Yegor Gaydar. It was agreed that the German-Russian Consultative Council for Cooperation will meet in Bonn on February 18. Russia will be among East European nations and other CIS [Commonwealth of Independent States] states represented at the upcoming conference of the "G-7" trade and finance ministers, according to Moellemann, who paid a one-day visit to Moscow.

The flow of Russian oil to Germany will continue, as neither of the countries would like to curb cooperation in the field, the minister said, adding that the volume and terms of deliveries are to be specified.

The liability of former Soviet republics for foreign debt payments will be the main condition for granting a 5-billion German mark credit to the Commonwealth. The issue "will be taken in consideration during negotiations with Russia, Kazakhstan and Ukraine", he said, adding discussions with the latter are likely to be difficult, as Ukraine is not prepared to pay the debt.

On Friday [31 January], Ukrainian Prime Minister Vitold Fokin appealed to the world business community, saying Ukraine wants to be liable for paying 16.37 per cent of the total Soviet foreign debt.

Moelleman is expected to meet former Soviet president Mikhail Gorbachev on Monday and to fly to Alma-Ata later in the day.

Grant of Credits to Double

LD0302213392 Moscow Radio Rossii Network in Russian 2000 GMT 3 Feb 92

[Text] Germany intends to double its grant of credits to Russia. This was reported by Russian Deputy Prime Minister Yegor Gaydar following his talks in Moscow with German Economics Minister Juergen Moellemann. The increase in credits from $3-6 billion should occur in March, according to Gaydar. An accord was reached at the talks on setting up a joint commission, which is to raise prices for Russian natural gas supplied to the regions of the former GDR. As is well known, gas used to be sold to the former GDR at prices substantially lower than those on the world market.

Delegation Arrives in Bonn for Troop Talks

LD0302154292 Moscow TASS International Service in Russian 1355 GMT 3 Feb 92

[By ITAR-TASS correspondent Lev Volnukhin]

[Text] Bonn, 3 Feb (TASS)—A Russian Government delegation headed by Colonel General Pavel Grachev, chairman of an interdepartmental commission of the Russian Federation [mezhvedomstvennaya komissiya Rossiskaya Federatsiya], first deputy commander in chief of the Commonwealth Armed Forces, and chairman of the State Committee of the Russian Federation for Defense Issues, arrived here today at the invitation of the German Government. The delegation is composed of Yevgenniy Arapov, chairman of the state economic commission under the president of the Russian Federation [gosudarstvennaya ekonomicheskaya komissiya pri presidente Rossiskoy Federatsii] and a minister of the Russian Federation; Colonel General Matvey Burlakov, commander in chief of the Western Group of Forces; and other officials.

On 3-5 February, the Russian delegation will hold talks with leading members of the German Ministries of Foreign Affairs, Defense, Finance, and Economics. The

discussion of financial, social, economic, legal, and other aspects of the temporary stay and withdrawal from Germany of the Western Group of Forces will occupy a central place in these talks.

Palestinian Says Moscow Talks 'Achieved Much'

PM3101222192 Moscow IZVESTIYA in Russian 1 Feb 92 Morning Edition p 6

[Interview with Palestinian delegation spokesperson Hanan 'Ashrawi by Andrey Ostalskiy; place and date not given: "Hanan 'Ashrawi: Russian Foreign Ministry Was Warned of Palestinians' Rejection of Madrid Formula"—first paragraph is introduction]

[Text] In recent months Bir-Zeit University Professor Hanan 'Ashrawi has without doubt become the best known Palestinian figure in the world. "I am not a professional," she says, "but we Palestinians are all political creatures virtually from birth." But professional or not, 'Ashrawi has earned a reputation as one of the Near East's most brilliant and most energetic politicians, tirelessly campaigning for Palestinian interests. She also played the role of the Palestinian delegation's chief spokesperson in Moscow, where the Palestinians surprised many people by refusing to participate directly in the talks, instead of which they engaged in "corridor diplomacy." Why? Here is how 'Ashrawi answered this question:

['Ashrawi] On this occasion we firmly decided not to allow Israel to dictate the Palestinian delegation's membership. Why should someone specify it for us? We do not dictate to the Israelis which of them can or cannot participate in the talks. We demand equality.

[Ostalskiy] Yes, but there was the Madrid formula. The Palestinians showed flexibility then, in proceeding toward concessions. But now you have unexpectedly decided to break the rules of the game. The opinion that the Palestinians "let down" Russia is widespread.

['Ashrawi] There was no unexpectedness. We had previously warned both the Russian and U.S. sides that we would not accede to the Madrid conditions.

[Ostalskiy] Maybe they hoped to persuade you at the last moment, as happened prior to the Madrid meeting....

['Ashrawi] Maybe. But in that case what has unexpectedness got to do with it? Any flexibility has a limit. At that time, prior to Madrid, we conceded because we did not want to give the Israelis a pretext to leave the conference. U.S. Secretary of State James Baker persuaded us. In doing so he said that our concession was not a precedent for the future, that at any future talks we would be entitled to insist on whatever delegation membership we considered expedient, and that we would be able to include in it Palestinian representatives living in exile—after all, they are two-thirds of our population!—or, for instance, inhabitants of Jerusalem, if there was going to be discussion of this city's fate. We never, never said that we might give in to pressure again in Moscow at the multilateral talks. The Russians should not have allowed what happened, when Israel again started to veto individual candidates in the delegation. But nevertheless it is incorrect to say that we did not participate in the Moscow meeting. We participated, but only outside the confines of the negotiating room. Nevertheless, we assisted the conference's success as we were able.

[Ostalskiy] Success? Did I hear you right? That means you do not consider the conference to have failed?

['Ashrawi] Not at all.

[Ostalskiy] And will you participate in the working groups on specific regional problems that were set up in Moscow?

['Ashrawi] Yes, we are ready and willing to participate in them. Incidentally, during a very important meeting we had with James Baker in Moscow, he assured us that Palestinian representatives living in exile would be able to become involved in this work. So we believe that we achieved much in Moscow. Above all we proved to the world that without the Palestinians no politically effective decisions can be achieved in the Near East. Just as without a solution to the Palestinian problem it is no use hoping for lasting peace and stability in our region. And without progress in this direction multilateral talks on other common regional problems also become pointless.

And yet the last thing we wanted to do was to let Russia down. On the contrary, we are energetically trying to ensure that Russia's role in our affairs is more active. We are insisting on its participation in the peace process. Why should its participation merely amount to putting a signature to American texts? It is, of course, a pity that Andrey Kozyrev could not satisfy our request to meet with us. But the last thing we would want to do is let Russia down in any way whatsoever.

[Ostalskiy] Ms. 'Ashrawi, it seems you have devoted your whole life to the political struggle, sacrificing everything else. But are you sure that most Palestinians share your position and support the Palestinian delegation's participation in the talks? Because recently there have been vociferous Palestinian demonstrations against any talks with Israel...

['Ashrawi] Yes, I am sure for the moment. But this does not mean this will always be the case. The talks process is going on, but it is not bringing any relief to the inhabitants of the occupied territories. On the contrary, the repressions are increasing. And there are not the slightest improvements and there is no progress regarding the essence of the Arab-Israeli conflict. All this undermines belief and hope, and that also means it inevitably strengthens the position of the other camp—of those who reject any possibility of a peaceful settlement.

Israel's Levi on Peace Talks, Immigration

LD0102234392 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2125 GMT 1 Feb 92

[Video interview with Israeli Foreign Minister David Levi by Nikolay Shishlin in Moscow; date not given; Levi in Hebrew with simultaneous translation into Russian; from the "TV Progress" program—live or recorded]

[Text] [Video shows screen caption "TV PROGRESS", followed by caption stating: "Interview with David Levi, Israeli minister of foreign affairs"; Levy and Shishlin seated next to one another in easy chairs, Israeli flags hanging in background] [Shishlin] Mr. Minister, first I would like to thank you for kindly agreeing to give an interview on the occasion of your first visit to Moscow. There are a great many questions, but time is limited. So permit me to begin directly with the questions. How were you met in Moscow, and what do you think of the striking changes which are taking place in the country which was previously called the Soviet Union?

[Levi] Moscow met me with a meeting, the aim of which was peace. This has happened in our world and it has happened thanks to the changes which have happened here in your country, in the former Soviet Union, and thanks to the path which the new Russia has chosen for itself.

[Shishlin] There are very wide-ranging opinions in our society and approaches to the Near East problem. For many years our mass media, following the official position, portrayed Israel as the aggressor and the Arab countries as the victims of aggression. Well, this is now being gradually overcome. Nevertheless, problems remain, and in this regard we would naturally like to hear about Israel's approach toward one of the most sensitive points in the whole Near East sphere—that is the Palestinian problem.

[Levi] First of all, I must say that I am very glad that things have changed. There is sufficient patience for both sides to be heard. Unfortunately, this was not the case in the past. In 1967 the Arab countries around Israel attacked Israel in order to destroy it. We had sufficient patience, and 20 years later we reached peace with Egypt. After this we did all that we could in order to reach peace with the other states. We held out the hand of peace to the Palestinian population and proposed to them that we should speak of peace. Prior to this, no one gave them this privilege. This includes the Jordanians, who ruled over them for more than 20 years and gave them no opportunities. Today we are sitting down with the Palestinians and speaking about solving the problem in two stages. The first stage will be autonomy, and after 3 years of autonomy we will talk to them about a definitive solution to the problem and about an accord.

[Shishlin] Our television viewers would not forgive me if I did not, during our meeting, ask you a question about our citizens in Israel. I mean the new wave of immigration and our people who left for Israel previously. I am convinced that for our country, for Russia, this is a decrease in our human potential, it is a direct loss for us. For Israel it is of course an increase, both in intellectual and human potential. Nevertheless, I think that in the final analysis this wave of immigration might be the yeast which causes Soviet-Israeli cooperation to rise to a new level. What do you think in connection with this?

[Levi] People are not hostages. Russia's values at present are democratic values. This is exactly how we should look at this. The very fact that Russia allows its people to leave the country freely does honor to Russia. It is clear that the absorption of this immigration on such a national scale is a very important, complex, and expensive task for us. The Jews arriving in our country from your country join us, shoulder to shoulder, in constructing all that we have in Israel. There is no doubt that they are a bridge between the people of Israel and the people of Russia.

You know, Russian songs are sung nowadays in our country, even by those who have never been to Russia. All communities and emigrants from all countries living in Israel learn the traditions of your beautiful country. So, we have learned to love the things you love, including Russian cuisine. It is so pleasant to hear some Israeli residents speaking Russian. These people are undoubtedly a bridge of friendship and good future for our two peoples, and we are proud of it.

[Shishlin] Thank you. We will end our conversation on this splendid note. Thank you again for your interview.

[Levi, in Russian] Thank you.

Israeli Firms To Carry Out Joint Projects

OW0202212792 Moscow INTERFAX in English 1746 GMT 2 Feb 92

[From the 3 February "Business Report" feature—transmitted via KYODO]

[Text] Russian and Israeli business partners are now working on three major joint projects. These include the building of a number of granaries designed by Haogenplast Industries in the Moscow and Krasnodar Regions, the manufacture of tomographs together with the Albit Asint Company and the designing and building of a passenger airliner similar to the Ilyushin 62. The latter project will involve the Ilyushin Company, which will build the fuselage, the US company Pratt and Whitney, which will manufacture the engines and Israeli Aircraft Industries, which will provide the navigation equipment. A number of Israeli Banks and the European Bank of Reconstruction and Development have expressed interest in the financing of these projects.

Agreement on the projects was reached through the mediation of the Union of Russian Industrialists and Entrepreneurs [URIE] and its partner, the Association of

Israeli Industrialists. The President of the URIE, Mr. Arkadiy Volskiy, pointed out that a means for cooperation between the Russian and Israeli enterprises and companies will be developed during the implementation of these projects, and this will be employed in the future. He said that the URIE's partner, the Association of Israeli Industrialists, had by the end of 1991 received offers to participate in more than 30 joint projects in such areas as conversion, agriculture, food production and high technology.

DPRK Signing of IAEA Safeguards Noted

SK0102044092 Moscow Radio Moscow in Korean 1230 GMT 31 Jan 92

[Talk by station commentator Vladimir Korolev from "Today's World" program]

[Text] The DPRK and the International Atomic Energy Agency [IAEA] signed a nuclear safeguards accord in Vienna today, 31 January. The signing of this accord means that Pyongyang will officially accept international inspection of the nuclear facilities in its territory. Because Pyongyang did not sign this accord, the talks between Pyongyang and Seoul on turning the Korean peninsula into a nuclear-free zone have been delayed.

The two Korean states agreed to completely (?abolish) weapons of mass destruction in the land called the land of morning calm. Prior to this, Seoul issued a statement declaring that nuclear weapons had been withdrawn from the south of the peninsula. The nuclear weapons had been brought into the ROK during the "cold war". This heightened the atmosphere for distrust between the two Korean states; as a result, the confrontation between them was aggravated. While Pyongyang insisted that it was under the threat of a northward invasion, Seoul insisted that it was under the threat of a southward invasion.

The trend of detente in the Asian-Pacific region brought political detente to the Korean peninsula as well. As a result, talks began, with the issue of turning the peninsula into a nuclear-free zone being the most important. However, the South and the United States doubted the DPRK's position in dealing with the nuclear issue. Seoul and Washington openly said that Pyongyang's nuclear (?facilities) were of a military nature. For instance, Robert Gates, U.S. CIA director, said last week that North Korea was ready to develop nuclear bombs. At this, DPRK's NODONG SINMUN noted that this assertion was false propaganda. The paper said that nuclear bombs development is not planned, nor is there any possibility of realizing it. Director Gates' statement came at the same time as high-level talks between the United States and North Korea for the first time. During the talks, Washington demanded that Pyongyang accept international inspection of its nuclear facilities. The United States informed the DPRK that if the latter would accept inspection early enough, talks for the normalization of relations between the DPRK and the United States would occur.

Today Pyongyang and the IAEA have signed the agreement allowing inspection. This major significant event has been made possible and allows for the realization of the prospects of turning the Korean peninsula into a zone completely free from nuclear weapons.

ROK Envoy Interviewed on Relations, Aid

924C0443A Moscow NEZAVISIMAYA GAZETA in Russian 17 Jan 92 p 4

[Interview with Republic of Korea Ambassador in Moscow Kong No-myong by Yuriy Sigov; place and date not given: "We Do Not Want the 'German Scenario' of the Unification of Korea,' Stated Ambassador of the Republic of Korea in Moscow Kong No-myong"]

[Text] [Sigov] Mr. Ambassador, a little more than a year has passed since diplomatic relations were established between the former Soviet Union and the Republic of Korea. What preceded this event? How are our mutual contacts developing at present?

[Kong No-myong] Let me recall that immediately after liberation from the Japanese in August 1945, Korea ended up divided into two zones of influence, that of the United States and that of the USSR. The southern segment of the Korean peninsula went to the Americans, who instilled democratic traditions and laid the foundation of a market economy there. However, peace did not last long, and between 1950 and 1953 the entire peninsula was engulfed by a fratricidal war. After the war South Korea was quickly restored with American aid, and as early as the 1970's began vigorously developing relations with all states of the world regardless of their social systems. A genuine "breakthrough" by South Korea into the world community occurred after the 1988 summer Olympic Games in Seoul, in which the USSR participated over objections from North Korea.

The normalization of our relations with the Soviet Union began after President No Tae-u came to power in the Republic of Korea as a result of the first direct elections. He proclaimed the so-called "Northern policy" of South Korea aimed at improving relations with our neighbors, China and the USSR. Subsequently meetings of the leaders of our two countries were held, diplomatic relations between the USSR and the Republic of Korea were established, and economic and cultural contacts began to vigorously develop.

[Sigov] However, the Soviet Union has now ceased to exist as an entity under international law. Under the circumstances, with whom does the Republic of Korea intend to develop relations?

[Kong No-myong] Relations with Russia are the main point for the Republic of Korea after the disintegration of the USSR. This country borders directly on the

Korean peninsula; it is the legal successor of the USSR. From among other republics of the former Union, the development of relations with Uzbekistan and Kazakhstan is a priority for us. Let me recall that 300,000 Koreans, whom we want to help as our brothers, live there.

The Republic of Korea has recognized all 11 states which belong to the CIS [Commonwealth of Independent States], and is now involved in negotiations on opening its embassies in these countries.

[Sigov] Does the Republic of Korea intend to provide financial assistance to the republics of the former USSR, given the collapse of the latter?

[Kong No-myong] In 1990 we signed an economic cooperation agreement with the USSR worth $3 billion. A credit of $1 billion was also extended, as well as a loan of $800,000 to purchase manufactured goods. Goods for one-half of this amount have already been delivered; to receive the rest, Russia must give a written guarantee of repayment of the loan.

We are not afraid to provide financial assistance to Russia by reason of its current insolvency; we trust its leadership, and believe that Russia will fulfill its payment obligations.

[Sigov] For many years, the Soviet Union was the main military and economic partner of North Korea. It is now vigorously developing relations with South Korea. How do the leaders of the DPRK view these changes?

[Kong No-myong] At present, the situation in the DPRK is complex. By all signs Kim Il-song, who will be 80 soon, is preparing to transfer power in the immediate future to his son, Kim Chong-il, who already is the supreme commander of the North Korean Armed Forces. This is why, before retirement from the political arena, Kim Il-song will apparently try to eliminate all obstacles (normalize relations with South Korea and other countries) which may prevent his son from holding on to power. At present North Korea is experiencing a catastrophic shortage of foreign exchange; electricity generation is on the decline; deliveries of oil from the USSR have dropped by more than one half. The issue of the shortage of foodstuffs, clothing, and housing is acute. Foreign investment is required. To this end it is necessary for the DPRK to normalize relations primarily with Japan—the only country in the Orient which has money (in the West, Germany does).

With a view to normalizing relations with the DPRK, our President No Tae-u has repeatedly proposed to hold a summit meeting. However, with whom is he to negotiate—the current or the future leader of North Korea? It is unclear for now. Apparently it will be the person who holds real power in North Korea at that moment.

[Sigov] How realistic are prospects for the unification of the two Korean states in the event of a change of power in Pyongyang?

[Kong No-myong] First of all, we need to overcome our mutual mistrust which has lingered on since the 1950-1953 war. Unfortunately no actual changes have been apparent so far in the actions of the North Korean leadership; there are only prerequisites for this. Nor do we want to "absorb" the DPRK under the "German scenario" (the FRG absorbed the GDR); let North Korea come to want this unification itself and ripen for it. As far as I know, an overwhelming majority of the people in South Korea favor unification. After all, even the two Koreas combined amount to a very small country whose area is slightly greater than that of Kirghizia here. We have a homogeneous population and common cultural traditions; therefore, the unification of Korea is unavoidable. It is another matter that this is a complex and lengthy process.

On 13 December of last year, a reconciliation agreement was signed between North and South Korea. Subsequently, a treaty on the nuclear-free status of the Korean peninsula was signed under which the DPRK agreed to international inspections being held on its territory. South Korea does not have nuclear weapons; American warheads have been withdrawn from its territory. Officially the DPRK does not acknowledge the existence of nuclear weapons in that country but judging by much of the data, Pyongyang has everything necessary to produce them.

However, on the whole the international situation at present is such that it is possible to resolve any differences peacefully, even those between countries involved in as long a confrontation as our countries. We believe in the reason and age-old wisdom of the Korean people. We think that the day is not far away when the last people on earth separated by the will of historic events will be united.

SRV Minister on 'Bright' Diplomatic Relations

BK0402042492 Moscow Radio Moscow in Vietnamese 1300 GMT 30 Jan 92

[Recorded statement by visiting Deputy Foreign Minister Nguyen Dy Nien, marking the 42d anniversary of Soviet-Vietnamese diplomatic relations]

[Text] I think that it was a very important event when the Soviet Union established diplomatic relations with Vietnam on 30 January 1950. Ever since then, the Soviet-Vietnamese relations have constantly developed. I must say that these relations have been based on very firm principles and have been developed in many respects and under many forms. Soviet assistance to Vietnam during our liberation struggle was very great. The relations established on a similar base have lasted for four decades now. They have taken deep root among both the Vietnamese and Soviet peoples, and I think they will last long because they are historic issues. Since they are historic issues, they will last forever, just like all other historic events in any country.

Nowadays, the world situation has changed and the situation in the former Soviet Union has also changed. The former Soviet republics have become independent and sovereign countries, and the Russian Federation has also become an independent and sovereign country and a heir to the former Soviet Union. Another point I want to talk about is that former Soviet-Vietnamese relations, as well as the present and future Vietnamese-Russian relations, are pure and bright. We have very good friends, but even among friends there are sometimes different views. Yet, between Vietnam and the Soviet Union, we have not had any problem thus far which could lead to misundertanding or discord.

We think that the situation has also somewhat changed now in Russia. However, we desire to continue the formerly developed relations and have similar interests in developing our individual countries. We want our countries to advance and our people to become rich and to have a happy life and be more useful to society. I think all these issues have drawn us near to each other and have made us share common feelings. I, for one, would say that among the relations of cooperation with various countries, Vietnamese-Soviet relations might be said to be very beautiful in many respects. Literally, I would say that they are perfect, and I also hope that they would continue to be so with the Russian Federation and other former Soviet republics.

Cam Ranh Bay Talks Set

BK0102093892 Moscow Radio Moscow in Vietnamese 1300 GMT 29 Jan 92

[Station commentary]

[Text] A Russian delegation will hold talks with Vietnam about the dismantlement of the Soviet base at Cam Ranh and the withdrawal of all Soviet troops therefrom. A representative of the Russian Embassy in Hanoi recently disclosed that the talks would take place in June in the capital of Vietnam. On this, our commentator wrote:

The dismantlement of the Cam Ranh Base was discussed long ago. If we talk about using the bases' potential, I can say that the potential was exhausted long ago. The fate of this military outpost on the eastern sea coast has been determined. What is noteworthy here is that in contemporary history, the Vietnamese owner has actually never used the base.

In the 1950's and 1960's, U.S. troops were stationed there. The U.S. troops built the base, wharves, and weapons depot. They also built landing strips on which any type of aircraft could land. When the war started in South Vietnam, the U.S. expeditionary troops came to Vietnam through Cam Ranh Bay. The U.S. naval forces departed from this base to conduct patrols along Vietnam's coast while U.S. aircraft took off from Cam Ranh to bomb enemy positions.

After the U.S. troops withdrew from Vietnam, Cam Ranh Base was left vacant for some time. A few years later, the first battle ships of the Soviet naval force arrived there as agreed upon by the Vietnamese authorities. Although this move was not officially announced, it was not surprising. The war occurred again. The U.S.-Soviet confrontation intensified even though a Soviet base on Vietnam's coast was considered an obvious response to the U.S. station at Clark Field Air Base and Subic Naval Base in the Philippines.

Now tension in the world including the Pacific area has eased. The political atmosphere has become better and this has stimulated trust in the military field. The Soviet Union has reduced the number of its battleships in the Pacific. Russia, the legal heir to the Soviet Union, intends to continue this process. The United States has decided not to rebuild Clark Field Air Base which was damaged by a volcanic eruption last year. Against such a background, Russia's intention to dismantle Cam Ranh Base can be considered totally reasonable. Moreover, our economy is currently rife with difficulties. So, funds formerly spent for the maintenance of Cam Ranh Base can now be used more effectively.

As far as we know, the number of Russian troops in Cam Ranh has been reduced from 4,000 to 2,000. Even the Western press has recognized that there are now only a few small battleships in Cam Ranh. Yet, about the definitive dismantlement of this base, everyone knows that our country cannot do it unilaterally since this issue involves bilaterial Russia-Vietnam relations. For this very reason, talks are planned for June to definitively decide the fate of Cam Ranh Base.

Spokeswoman Denies KGB Sent Archives Abroad

LD3101140892 Moscow TASS in English 1344 GMT 31 Jan 92

[Text] Moscow January 31 TASS—By ITAR-TASS: The Russian Foreign Intelligence Service did not trade its archives and is not going to sell them, Tatyana Samolis, the spokeswoman of the director of the Intelligence Service, told TASS on Friday [31 January], denying allegations of Dmitriy Volkogonov, chairman of the Russian Parliamentary Commission on Archives.

Volkogonov told the trade union "TRUD" newspaper on Friday that his comission knows "the names of several KGB officers who sent archive materials abroad", and that there was even a general among them. The archives were shipped to the West before last August, when a coup was staged in Moscow, according to Volkogonov. He also said that those were "the documents of the KGB Foreign Intelligence Department", i.e. top secret materials. Volkogonov said there could be no justification for such actions.

Kalugin To Testify in Sofia in Markov Case

LD0402095492 Moscow TASS in English 0817 GMT 4 Feb 92

[By ITAR-TASS correspondent Aleksandr Stepanenko]

[Text] Sofia February 4 TASS—The Soviet KGB played a vital role in the assassination of Bulgarian dissident writer Georgiy Markov, killed with a specially-designed umbrella in a London street in 1978, a former KGB spymaster has revealed.

Retired General Oleg Kalugin has told the new 24 HOURS newspaper KGB agents "prepared the poison and instructed the assassins", who then ruthlessly killed Markov.

In an interview, taken when Kalugin was attending the world economic forum last week in the Swiss city of Davos, the out-spoken spymaster said he plans to go to Bulgaria within a week's time to give new testimony in the case.

Shakhray on Absence of Estonia Communique

OW0302163592 Moscow INTERFAX in English 1523 GMT 3 Feb 92

[From the "Diplomatic Panorama" feature—transmitted via KYODO]

[Text] Deputy chairman of the Russian government, Sergey Shakhray, who led a Russian delegation at negotiations in Vilnius, Riga and Tallinn, said the reason why no joint communique had been signed indicating a schedule for the withdrawal of the former Soviet Armed Forces which were now within Russian jurisdiction was the fact that the Estonian delegation at the negotiatiбns lacked the relev[illegible] powers for this. As has already been reported, the Es[illegible]nian Government, headed by Edgar Savisaar, which would have had such powers resigned on January 23.

Mr. Shakhray rejected the suggestion that Russia's decision to begin the withdrawal of troops from Lithuania in February, and from Latvia in March, 1992 had been a rash one. The withdrawal had already started, he said. Now it "should become civilised, not resembling a flight". The present blitz visit was an attempt to make up for the delays. It was stated in the final documents, Mr Shakhray said, that the further withdrawal would be put under proper control.

He said the agreements reached in the Baltic countries were "essentially different" from the decisions of the former Soviet leadership on the withdrawal of Soviet troops from Hungary, Czechoslovakia and Poland. In the latter case the deadlines for the withdrawal were taken at random, and no provisions were made for the servicemen returning home.

Commenting on the decision of the Baltic states to nationalise the property of the forces stationed on their territory, Mr. Shakhray pointed out that Russia had assumed jurisdiction not only of the armed forces of the former USSR but their entire property as well. Nevertheless he said "this is no disaster, we shouldn't have a conflict over it but should settle it in a civilised manner".

Problems in Ratifying Armenian Treaty Viewed

924C0470A Moscow NEZAVISIMAYA GAZETA in Russian 24 Jan 92 p 1

[Article by T.M.: "Temporary Problems With Armenia"]

[Text] Last Thursday the Russian Federation Supreme Soviet conducted a plenary session at which it discussed the problem of ratifying the Treaty of Friendship, Cooperation, and Mutual Security between Russia and Armenia.

In spite of the seemingly unambiguous text suggested by Fedor Shelov-Kovedyayev, the parliamentarians were not satisfied with the articles on military and political cooperation and on dual citizenship. According to some of the people's deputies, it is rather short-sighted to sign a treaty with Armenia dealing with provision to it of military aid before any agreement is reached with Azerbaijan; it may also entail Russia's involvement in the conflict between Armenia and Azerbaijan. The article on dual citizenship failed to convince the deputies for the particular reason that the High Negotiating Parties do not yet have their own laws on citizenship.

Ruslan Khasbulatov summed up the intensive discussions. He suggested that the issue of ratifying the Russian-Armenian treaty be postponed and reconsidered after amendments based on the deputies' comments are made.

The Russian Supreme Soviet ratified the treaty between Russia and Kyrgyzstan outlining a number of measures in the common fight of the two countries against the drug mafia.

Oil Supplies to Poland Resume 27 Jan

LD3101232492 Moscow Mayak Radio Network in Russian 1830 GMT 28 Jan 92

[Text] Russia resumed oil supplies to Poland on 3 February. According to a trade protocol signed between the two countries, the Polish side is supposed to receive 300,000 tonnes of this type of raw material in January. A firm assurance was received from Moscow a few days ago that the monthly plan for deliveries would be fulfilled. The Russian authorities said that the delay in oil supplies to Poland was due to the fact that changes are occurring in the CIS, the management of the Vadamovo pipeline pumping station near Brest had no clear instructions about whom, specifically, they should send oil to. This problem has now been solved.

Federation Affairs

Gaydar Holds Briefing on Economy, Prospects

LD0302191192 Moscow Mayak Radio Network in Russian 1630 GMT 3 Feb 92

[News conference for domestic and foreign journalists given by Russian Deputy Prime Minister Yegor Gaydar in Moscow on 3 February—recorded; first paragraph is announcer's introduction]

[Text] Yegor Gaydar replied very frankly to all questions at a major news conference today, and the first question was: Why does not the government control prices, as is done in many civilized countries in the world? Let's listen to Gaydar's reply to this question and others—information at first hand is most important, don't you think?

[Gaydar] I am in favor of controlling prices, more than that, I am in favor of the most rigorous control of prices, but I am in favor of the kind of price control that does not destroy the action of the market mechanisms. There is no point in squeezing prices back down if you are ready, because the shop shelves will still remain empty. If you calculate that over a comparatively short span of time problems will start arising with the sale of output, the only way is to gear yourself toward supply and demand prices. It is for this reason that our strategy consisted in freeing prices; prices should come up against the normal macro-economic limiter of aggregate demand, and the main method with the aid of which we should maintain our position is a rigorous credit, monetary, and financial policy.

[Unidentified journalist] I have a question: What corrections could you agree to, and what corrections would you not embark on? And if, say, parliament adopts some resolution or other, will you resign?

[Gaydar] Well, first, I have no intention of resigning, and I will fight to pursue the course which we have chosen. At present resignation would be too great a pleasure, too easy a way out.

As for the kind of corrections we could agree to, well, there are, without any doubt, technical alterations which simply need to be made in any economy under the influence of actual specific technical problems which emerge. For instance, in the mechanism of dating, in the way in which prices are regulated, in the regulation of prices for products of monopoly enterprises. In principle we could agree to certain amendments in the area of the mechanism for levying value added tax. In principle, without any doubt, we will have to agree to alterations in the area of social programs and additional social compensation measures. The only thing is that these alterations must, first and foremost, not be chaotic and therefore dangerous, and second, that these alterations should not break the shaky, fragile, and only just emerging equilibrium in at least part of the goods markets which has begun to take shape over the last few weeks.

[Portuguese TV correspondent] [Name indistinct] for Portuguese television. Please tell me how stable is your policy? Because we all know that it is very keenly criticized both within the government and by the parliament. Could you please answer the most important arguments of your opponents in the government. And what is President Yeltsin's attitude to you? Is he wavering between the different policies within the government or is he very firmly behind you? Do you feel his backing?

And a second question, if I may, regarding the creation of different currencies in the different republics. How far does this pose a threat to your policy?

[Gaydar] I can assure vou that there are no fundamental differences in government, and there is no struggle of views on the issue of the strategic course of reform. There are technical and tactical arguments, about the role of various departments in privatization, or about the scope of financing of this or that department, but there is no other fundamentally different policy or line that could take a different course in the government.

As far as the president's support is concerned, well, he fully backs our government and trusts it.

As far as parliament is concerned, well this is quite natural. For example, show me the parliament, except in totalitarian states, that is wholly delighted by the government's policy, especially a government which has been forced to take on responsibility for the increased economic disorder of recent years. So this does not bother us at all, and it seems to me that parliamentarians also are now quite calm about this, regarding it as a natural distribution of functions: the function of control and the function of the actual governing and decision-making.

As for the issue of currencies, we are committed to preserving a single monetary area. We are profoundly convinced that this is the optimum solution for all. At the same time we respect the decisions of certain states to introduce their own currencies. Furthermore, we are willing, if need be, to provide them with technical help in this. What concerns us most of all is that the introduction of national currencies should take place in a regulated way, in accordance with generally accepted financial practice and standards: the removal of the currency being taken out of circulation, its handing over to the state which issued the currency, and so on.

But so far, regrettably, agreement is not always being reached on this. We are pursuing a policy of wanting to preserve the existing monetary unit. Naturally this is causing problems. This is causing problems first and foremost in regions, say, close to the Ukraine: Belgorod Oblast, Rostov Oblast, Belarus, and likewise Moldova. The massive discarding of coupons and rubles being taken out of circulation in these regions, the natural rise

in prices—well, what can one say, countermeasures of some kind have to be taken here, the export of goods has to be restricted, and customs barriers and restrictions toughened. This is a natural reaction to such a situation.

Has the most difficult period of the reforms passed? No. That would be too optimistic. Unfortunately, the very logic and structure of the process of transition from a command-based economy to a market economy is such that the first two years are difficult, difficult from various points of view for various social groups. The most unpleasant and most painful shock for the consumer, relating to the sharp jump in prices is, in my view, indeed behind us. The rate of inflation, if the authorities are not themselves weak or make irreparable mistakes, the higher rates of inflation are behind us. But this does not mean that the difficulties are behind us, because very major difficulties lie ahead relating to the structural reorganization of the economy, to freeing resources engaged in those sectors where they are not needed in such volumes, to cutting employment in those sectors, and to redistribution. All this lies ahead and none of this is at all pleasant.

Comments on Prices, Privatization

LD0302203992 Moscow Programma Radio Odin Network in Russian 1600 GMT 3 Feb 92

["Fragment" of news conference given by Russian Deputy Prime Minister Yegor Gaydar in Moscow on 3 February—recorded]

[Text] [Unidentified journalist] I should like to ask you to share your forecasts, if possible. How do you appraise, what do you expect by the end of the quarter?

[Gaydar] Well, first of all I want to stress once again that recent information circulated widely on television and in the mass news media that Gaydar is proposing a 450 percent price hike in February does not accord with reality. One could easily understand this easily by reading my interview in TRUD, from where these figures were taken. The talk there was about something completely different, completely the opposite. There will be no major price rises in February and March, according to our forecasts. But at the same time I cannot but welcome the obvious sensationalization in the work of the mass media, because naturally in such a situation such a statement in itself makes it possible to make a further several tens of millions of dollars, in an entire complex of economic structures, and I think that the mass media, placed in a complex situation, are showing their flexibility and ability to adapt to market conditions. [sentence as heard]

As for our forecasts, then we propose that if unpredictable political turns do not take place, let us put it that way, the rates of inflation in February and March will be [words indistinct], that is, they will have nothing in common with [words indistinct].

[Unidentified journalist] Does the government consider widespread privatization, more democratic perhaps than under Russian laws, and an accelerated privatization, to be a priority at this stage of economic reform, and what is the government's attitude to the proposal from a number of economists that it is time to start creating a class, a wide class of owners, stressing not only the economic aspects of this problem, but also the social ones?

[Gaydar] We support the need to move in the direction of setting up a wide circle of owners, and our program of privatization is also aimed at resolving this task. Without any doubt a market economy without a broad stable base of owners cannot work at all. As for the proposal on accelerating privatization, we support all ideas for speeding up privatization which are within the framework of the law and economic common sense.

The problem is that any privatization [word indistinct] is a potential question of property. These are questions of conflict, questions of ownership, because some people will get this property and some will not. No, everything that is being done here should be done strictly within the framework of the law that is in force [passage indistinct]. A dreadful instability and lack of confidence is setting in [words indistinct]. Therefore we are in favor of acceleration today, as far as is possible, but within the framework of the law.

'Difficult Period' Still Ahead

OW0302203092 Moscow INTERFAX in English 1641 GMT 3 Feb 92

[Transmitted via KYODO]

[Text] At the Moscow press-conference on Monday [3 February] Russia's vice-premier Yegor Gaydar summed up the results of the first month since the beginning of the economic reforms and outlined his ideas concerning what was in store for Russia. He claimed that the shock from the price rise had already worn down. There were no signs that inflation tended to rise further. Gaydar refuted the widespread rumors that next month the price rise would register 400 to 500%. However, said Gaydar, the most difficult period is not yet in the past. According to him, this period would last for another couple of years when the restructuring takes place.

Dealing with national currencies in the CIS [Commonwealth of Independent States] countries, the vice-premier spoke in favor of a common monetary space. Russia respects the desire of the sovereign states to introduce own money and is even willing to extend technical aid, said Gaydar, but only in case the transition to national currencies takes place in a civilized manner, i.e., with the transfer of the rubles to Russia.

By the government's estimates, production is likely to drop around 20% in the first quarter from the same period last year. Gaydar regards this level as natural and attributes it to a sagging demand in military construction

and investment-intensive fields. The government does not plan to intervene into the process at least before the second half of 1992 when a general economic stabilization is expected.

Gaydar said that the state's arrears on the payment of wages and salaries dropped in January, and the cash squeeze is likely to be overcome soon.

Views West's Economic Support

LD0302192892 Moscow Radio Moscow World Service in English 1810 GMT 3 Feb 92

[Excerpts] Speaking in Moscow, Russia's vice prime minister Mr. Yegor Gaydar, who was also the main brain behind the republic's economic recovery plan, has said the government will go ahead with the reforms and has no intention of stepping down. He said resignation now would be a great luxury. [passage omitted]

The deputy prime minister also spoke of the consumer market being rallied, albeit somewhat slower than it should. On last month's production slump, Mr. Gaydar described it as a normal trend setting in after price liberalization.

The Russian official named three stages for overcoming the resistance by monopoly producers—free prices, competition, and retail trade privatization.

On the outcome of his tour of Britain, the United States, and Canada, Mr. Gaydar said the main result was unequivocal support given to the government's economic program by British and Canadian officials. He also said the two countries were ready to help towards creating a stabilizing fund for Russia, while the U.S. Administration spoke of wanting to submit a package of bills in Congress for lifting the last vestiges of the cold war period in bilateral relations.

Mr. Gaydar said IMF officials were due to arrrive for talks in Moscow next Monday [10 February] but a (?political) decision on Russia's membership in the International Monetary Fund would be taken in April. By then one could seriously speak of the stabilization fund. He said conditions for making the ruble convertible would not emerge until the middle of this year.

The deputy prime minister reiterated the government's resolve to go ahead with reforms. Mr. Gaydar also outlined government forecasts of low inflation rates this month and the next unless there was a major political upheaval. He said there would be no price jump on the scale of January's.

Group To Control Arms Exports

LD0302230892 Moscow Radio Rossii Network in Russian 2000 GMT 3 Feb 92

[Text] The Russian Government is setting up a special body for political control over arms exports. This was reported by Russian Deputy Prime Minister Yegor Gaydar at a news conference in Moscow on Monday [3 February]. Gaydar said the body would include the heads of foreign policy, industry, economics, finance, and security departments.

TASS Roundup

LD0302225692 Moscow TASS International Service in Russian 1631 GMT 3 Feb 92

[By ITAR-TASS correspondents Ivan Ivanov and Sergey Nikishov]

[Excerpt] Moscow, 3 February (TASS)—"Clear backing" from the governments of Great Britain and Canada for Russia's economic reform program and their readiness to provide assistance in creating a fund to stabilize the ruble were the main points selected by Russian Vice Premier Yegor Gaydar from among the important results of the Russian leadership's recent trip abroad.

During the news conference, he reported that Russia had asked for a stabilization fund of $5 to 6 billion to be created. The actual size of the fund will be specified within the framework of a joint program which is being worked out along with the International Monetary Fund. An IMF team is to arrive in Moscow on 10 February and will be working until 25 February. The date for setting up the fund is linked to the time-scale for Russia's entry into the IMF. The political decisions on this could be taken in April and the technicalities completed in May, Ye. Gaydar stressed.

The vice premier drew attention to the U.S. government's readiness to put to Congress a number of bills which would remove the "relics of the cold war in our relations." He also referred to the accords on export and import credits with Canada and the achievement of mutual understanding with Western partners on the former Soviet banks abroad as positive.

Ye. Gaydar confirmed the Russian Government's desire to "retain mutally advantageous economic relations with Cuba and to trade with it as with any other country" at world prices.

The vice premier described Russia's relations with Germany as "fundamentally important." He said it has been decided to set up a consultative council for cooperation between the two countries, which would deal with organizing work on removing bureacratic obstacles to mutually advanatageous cooperation. Ye. Gaydar noted that in the course of his talks with German Economics Minister Juergen Moellemann in Moscow, they discussed the question of Germany granting credit guarantees for exports to Russia.

Moving on to an analysis of the general economic situation and the course of reforms in Russia, Ye. Gaydar noted that an equilibrium has begun to emerge in recent weeks in part of the goods markets. In his view, if there are no unpredictable political changes, the rate of inflation in February-March will be relatively low and will be nothing like the January jump in prices. It is now

clear, he continued that the gigantic leap in prices in January has not turned into constantly high hyperinflation and there are no signs that there is a threat in the next few months of a sharp increase in inflation. [passage omitted]

Paper Argues Against Yeltsin Populist Stance

PM0302153592 Moscow KOMSOMOLSKAYA PRAVDA in Russian 29 Jan 92 p 2

[Observer Leonid Nikitinskiy article: "Do Not Force the President To Try To Ingratiate Himself With the People. Attempt at Dialogue With Outraged Readers"]

[Text] Thou shalt not make unto thee any graven image, it is said in the Holy Scripture, but in vain. Our newspaper only had to criticize President B. Yeltsin recently ("Trip up the Volga. Who's Groaning Now?" KOMSOMOLSKAYA PRAVDA, 15 January) for the editorial office to be swamped with telephone calls from readers bursting with indignation: Do not touch our president, leave him alone!

Who is this president at whom we should not even look without appropriate trepidation and before whom we should immediately prostrate ourselves? Has he really become a sacred cow? We deeply respect Boris Yeltsin for all he has done to liberate Russia and for the fact that he has taken upon himself the extremely difficult, thankless burden of economic reform. For the moment, at least, we have not changed our subjectively humane attitude toward Yeltsin, but moving from the cozy trenches of the opposition into the ranks of a power on the offensive has naturally placed him in the line of fire as far as criticism is concerned.

The inconsistent, impulsive nature of the president's actions and statements objectively stems from his difficult, precarious position. In order to carry out unpopular reforms which inevitably entail a sharp drop in the population's standard of living in the initial stages, you need a sufficient reserve of strength reflected in voters' support. This reserve could dwindle as quickly as people's savings during inflation and the last food stocks in our refrigerators.

The level of confidence in our reformist president has a critical point beyond which it cannot be allowed to drop. Otherwise, blatant insubordination of authority will instantly plunge the country into chaos—without improving anyone's situation, of course. As there is not enough for everyone, the reformer is forced to feed first one then another social group (miners, officers, subway drivers, and so on ad infinitum) with promises—or with real sops if these promises do not have a calming effect. He is like an animal tamer in a cage of hungry crocodiles whose aggressiveness has to be held in check by throwing lumps of meat first to one, then to another.

On the other hand, the number of sops which the president can allow himself to distribute also has a critical point. If it is exceeded, Russia will find itself plunged into hyperinflation. Then you can print as many new 1,000-ruble [R] notes as you like—even on wrapping paper—but, as is well known, crocodiles do not eat paper.

In order to hold on to his meager meat reserves the president is trying to keep his balance in this vicious circle with the aid of diversionary maneuvers. He is sticking up for the Black Sea Fleet, which is eating its way through a substantial proportion of our food stocks without any particular practical benefit; he is giving up the idea of an autonomous German formation in the Volga region, which could perhaps have fed the whole of this hungry area. Forgetting that market mechanisms mean renouncing excessive indulgence in administrative measures, he promises to dismiss directors of meat combines and heavily fine heads of administration—or even clap them in jail. Statements like these are usually made instinctively, in the heat of the moment, without thinking, in a hoarse voice via a bullhorn.

At the moment, this pleases the people, who have not yet grown out of command socialism or grasped and gotten used to the idea that in the new conditions all these promises of jail and dismissal cannot remedy or repair anything. It is possible that, by preserving illusions of administrative omnipotence, even the president himself has not totally grasped this. To some extent, the noisy theatrical effects which accompany his tours of the country help him to stabilize his rating—not in the eyes of specialists and members of the intelligentsia, but only in the eyes of the least educated "idolaters," who have yet to crawl from the mire of "socialism" in their consciousness.

The president feels the greatest danger from the hungry, resentful masses brought by the reforms to the brink of absolute lumpenization (cf. previous publication of 15 January), and perhaps his political instinct does not fail him in this respect. But, again, he is falling into a trap. Crocodiles can be lulled for a short time by forcing them to digest their food, but this will not make them conscious allies of their trainer.

He has to rely on the people, but he cannot rely on demoralized lumpen. They are a useless army liable to hallucination and panic and ready to betray their commanders at any moment. The reformer also cannot find support in the so-called "most progressive, organized working class"—for the simple reason that it has never existed as such. And hired workers, deprived of their own means of production, include too many different categories of working people—from the most skilled to the totally unskilled.

These have never realized that they have common interests. Common economic interests, let alone political ones. Whereas the latter's view of a communist paradise is a land where Sharikov-style leveling reigns supreme ("take everything and share it out"), the interests of the former are reflected in the principle "to each according

to his work" (and qualifications)—a principle sadly emasculated and debased by "socialism."

A civilized, democratic government can only find firm support in the skilled, educated section of society capable of conscious social behavior, including understanding and patience. Its only other alternative is to rely on armed violence, but then it is no longer civilized or democratic.

In countries with undistorted, stable social relations, the most skilled section of society, i.e. the intellectual elite, is certainly not regarded by the majority of the population as something alien and hostile to it. On the contrary, it recognizes its priority, including in matters concerning the social order, and also its right and responsibility to take the lead with its knowledge of political and economic affairs. Only in our country, in light of Lenin's famous parable about the cook running the state, does everyone venture an opinion on state affairs and, moreover, patronizingly lecture those who really do understand something of the matter. This is passed off as great political awareness. Surely awareness and intelligence do not consist in laymen arguing with the specialists? In my view, this is ignorance.

What, for example, is the purpose of those now calling for a referendum to decide the questions of privatization and price liberalization? They are counting on the votes of the least educated, most intimidated section of the population, which the referendum mechanism equates with the votes of really intelligent people who understand the laws of economic development. Essentially, such a referendum would be nothing more than the depersonalized leveling with which we are so familiar, and, from that viewpoint, it would even be unfair.

The above certainly does not mean that the ideals of democracy are becoming a sham. But direct democracy—identical to ochlocracy or mob rule—is not possible; what is needed is representative democracy, and the people must be represented by their best intellectual forces.

In conditions of representative democracy, the "space" between the will of the voters and the will and actions of the representatives they elect also has fundamental importance. The fact that the president is elected by the majority of the people certainly does not mean that he is obliged to heed every word of this majority every second. His responsibility is to look ahead and take care of the people's welfare in the long term, for which purpose it is sometimes better not to heed every word.

It is dishonorable for a politician to isolate himself from the people, whatever they may be like; a policy that takes no account of public opinion is blind, but being aware of it and heeding the "vox populi" is not the same as following its lead. We used to read that "the people and the party are one," printed on red calico on every street corner. We should not revive this deceitful slogan by replacing the word "party" with the word "president." There must be a certain distance between them: It is dangerous to cross this line from either side.

Gorbachev on Reactionary Threat, Yeltsin

LD0302211792 Moscow Russian Television Network in Russian 2000 GMT 3 Feb 92

[Video report by Z. Guretskaya—from the "Vesti" newscast]

[Text] [Guretskaya] So who are you really, Mikhail Sergeyevich? That is more or less what one could call the meeting that took place today at the IZVESTIYA editorial office between Gorbachev and young political analysts and journalists. They, the young and not only the young, tried to find out the true face of the former president of the former Union for, in their view, it was always covered with some kind of veil. But, apparently Gorbachev disappointed them. He has one face, or rather, he simply has a face. Gorbachev is convinced, as before, that the Union treaty could have been realized, but for the opposition of Russia. In his view, reactionary forces that have taken cover have not lost hope of taking revenge for the failed putsch. They could come to the forefront in the next few months to exploit the feelings of the popular masses, dissatisfied with reforms.

[Gorbachev] I felt that I let slip the moment when I should have firmly taken the position of the democratic forces. I let slip the early autumn of 1990 and the winter of 1991.

[Guretskaya] Gorbachev is not inclined even to consider himself as a candidate for the post of Russian president at the next elections, but he intends to support the present Russian president in his movement along the path of reforms. But if Yeltsin changes his tactics and tries to tighten the screws, Gorbachev will think about it. He will never leave the country even if he is thrown out.

Deputy Repeats Accusations Against Gorbachev

MK0102114592 Moscow KURANTY in Russian 1 Feb 92 p 1

[Lidiya Malash article: "S. Belozertsev-M. Gorbachev: Duel Not Over"]

[Text] As you know, M. Gorbachev, former president of the former USSR, has demanded that the Russian Prosecutor's Office institute criminal proceedings against S. Belozertsev, former USSR people's deputy, for his slanderous (from Mikhail Sergeyevich's viewpoint) statements in the "Vzglyad" television program about Gorbachev's involvement in the August putsch. The ex-president is utterly convinced of his rectitude and is even pressing for an investigation. The ex-deputy has a different view of this, but is also interested in public coverage of events.

"I will now repeat that I think one of the main reasons for the failure of the August putsch was Gorbachev's

failure to sign a decree introducing a state of emergency," S. Belozertsev told KURANTY's correspondent. "It is to him that we owe the total demoralization of a number of members of the State Committee for the State of Emergency and the indecisiveness of the work to arrest Yeltsin and the leaders of the democratic movement. No one ever doubted our former president's honesty. Not when he claimed that he was totally in control of the situation in the country and that he had information about everything, nor when he was not in the country and did not hold conferences before Tbilisi-89, nor when he did not portray the situation in Azerbaijan ahead of Baku-1990 and failed to inform us about what was happening in the Baltic before Vilnius- 1991. No one doubted his honesty when Ligachev announced a meeting of CPSU Central Committee Politburo members involving the general secretary that decided on some blood-letting among the Georgian people (proceedings were not instigated against Ligachev for slander). No one doubts Gorbachev's noninvolvement in events in Vilnius despite the document written on the general secretary's behalf by Burokievicius, first secretary of the Lithuanian Communist Party, which has been made public, describing the measures in preparation for the Communists to forcibly take power. Of course Gorbachev is not involved in the activity of his team, which he set up in the face of opposition from people's deputies. In the case of Yanayev's nomination as vice president, the results of the ballot were even falsified—Obolenskiy said at a press conference that 200 spurious ballot papers were xeroxed and rather more than three (as officially stated) ballot papers were removed; that same evening deputies were found to have 10 ballot papers.

In my interview with "Vzglyad" I voiced my opinion of the real role played by the president, who was unable to constitutionally restore the CPSU's power and crush not only the Union but also the republic parliaments, I have testimonies (recorded on a dictaphone) from people's deputies who took part in the conference that Lukyanov held in March 1990. Lukyanov said that they decided with Mikhail Sergeyevich that, if it did not prove possible to "curb Russia" within six months, they would have to introduce a state of emergency or martial law in the country. The date for introducing the state of emergency fell on September 1990—it was at that time that assault troops were concentrated around Moscow and assault divisions transferred to KGB jurisdiction.

Thus, one can conclude that the August coup was under preparation a long time ago, and I hope that the former chairman of the USSR Supreme Soviet will give testimony about the conference itself—if he does not remember it, then former Union deputies will help him during confrontations It is a pity that the Russian Prosecutor's Office, despite the demands of the putschists and their lawyers, is refusing to interrogate Gorbachev. It is also strange that Mikhail Sergeyevich appealed not to the court but to the prosecutor's office with regard to me. He probably hopes that this organ will still perform its repressive role. (Remember to whom Ligachev complained about Gdlyan).

S. Belozertsev said that former Union deputy Obolenskiy, who headed the parliamentary commission covering the investigation into the State Committee for the State of Emergency, did not hand the Russian parliamentary commission materials collected by the Union commission despite orders from the Russian Supreme Soviet Presidium. These documents include secret materials on the KGB and single copies of Defense Ministry ciphers—since Obolenskiy did not allow members of the Union commission to take copies of them. It is not known where these documents are now.

Savvin Appointed Commander of Internal Troops

LD0302160192 Moscow Mayak Radio Network in Russian 1500 GMT 3 Feb 92

[Text] The president of Russia and the government he heads is continuing to reorganize the republic's system of executive power bodies. The Cabinet of Ministers has issued an act regulating the activities of the central apparatus of the Russian Ministry of Internal Affairs. Its established personnel is more than 3,000, not counting those employed for operating, protecting, and servicing the department's buildings. Those personnel released as a result of the reorganization are being sent to combat crime directly. The work is being led by the minister, Viktor Yerin, and his eight deputies.

Vasiliy Savvin has been appointed commander of the internal troops of the Russian Federation Ministry of Internal Affairs by presidential decree.

Paper Appeals for 'Reason' to 'Soyuzpechat'

PM0402111592 Moscow KRASNAYA ZVEZDA in Russian 1 Feb 92 p 1

[Unattributed announcement: "KRASNAYA ZVEZDA: One Price for Muscovites, But Three Times As Much for the Rest?"]

[Text] To begin with, it is necessary to have it out with Muscovites. This eight-page double issue will be offered to you from "Soyuzpechat" [Main Administration for the Distribution of the Press] newsstands at the price of 1.80 rubles [R]. The ordinary four-page issues will now cost R1.20 in Moscow.

This will prove an unpleasant surprise to many people. But those who have followed attentively our articles in recent days must know what is going on. As a result, precisely this has proved the only possible compromise. The Moscow "Soyuzpechat's" original demand was for the four-page issue to be sold for not less than R1.70, then it came down to R1.40 during very difficult negotiations, and, finally, we succeeded in literally wresting the latest concession.

The leaders of "Soyuzpechat" have declared that this is their last word, and the newspaper will once again vanish from the newsstands unless we agree to these terms.

We have learned that IZVESTIYA will be sold at the price of R1.25—which is approximately the same terms as TRUD will evidently agree to. According to our data, other publications are at the negotiating stage, and it is quite possible that you might not see some popular newspapers on retail sale in the next few days.

We realize that all the aforesaid will be of no comfort to our readers. Nor are we pleased that our KRASNAYA ZVEZDA is becoming more and more expensive. But what is to be done? Such is life today. It only remains for us to put our trust in our readers' loyalty.

Many people raise the question of the need to develop retail trade outlets for the newspaper, aside from the "Soyuzpechat" newsstands. Unfortunately, we have neither the relevant staff nor the financial machinery. For the time being we have to rely here on the enthusiasm of the newspaper's staffers and friends. Nevertheless, we are working on this question, and in the next few days we will conduct an experiment with several volunteer helpers who will distribute KRASNAYA ZVEZDA by hand in Moscow streets. If this is successful, the number of such distributors will increase. We hope that our terms might also be of interest to some commercial structures.

So far we have been talking about Moscow. At least some clarity is emerging here. But misfortunes do not come singly, you know. In a previous article we voiced the fear that what is happening in Moscow will continue throughout Russia and throughout the CIS [Commonwealth of Independent States].

Now we have confirmation. We have now received demands from the "Soyuzpechat" Central Retail and Subscription Agency. It is suggested to us that the newspaper be distributed at a price of more than R3 per issue. We have not yet recovered from the Moscow clash, and now this new blow. It turns out that we must now hold the Moscow "Soyuzpechat" up almost as an example to the central department. Muscovites will buy the newspaper almost three times more cheaply than inhabitants of other regions!

Esteemed partners at the "Soyuzpechat" Central Retail and Subscription Agency! We realize that in time inflation might bring us to R3 or maybe even more rubles for an issue of the newspaper. But let us think about the readers. Let us soften as far as possible the liberalization of prices in the newspaper and magazine business. For it is possible to do everything without "shock therapy," in stages, consistently. After all, there must be common sense too. Having separated readers from newspapers and ruined retail sales with plainly exhorbitant prices, you yourselves will end up losing out.

We appeal for reason and mutual understanding.

Center for 'Information Gathering' Established

LD0302190192 Moscow TASS International Service in Russian 1610 GMT 3 Feb 92

[Text] Moscow, 3 Feb (ITAR-TASS)—The Russian Government has issued instructions to set up a center for information gathering and feedback which will supply the Russian president's staff and the government apparatus with domestic and international information. The center is also tasked with ensuring a rapid flow of information to Russian ministries and government departments and to the executive heads of the krays, oblasts, and republics within the Russian Federation.

The new center will function as part of the information-supply bureau of the presidential staff. Regarding equipment, the center is being founded using the ITAR-TASS automated information gathering and processing network.

Interior Ministry Gives Briefing on Crime

LD0102091392 Radio Moscow World Service in English 1510 GMT 28 Jan 92

[Text] Crime in Russia grew at astronomical rates in 1991. This was said at a Moscow briefing organized by the republic's Interior Ministry. More details from our correspondent Nikolay Garokhov:

According to General Vladislav Massimovskiy of the interior service, for the first time the number of registered crimes in Russia exceeded 2 million, which was an 18 percent increase as compared with 1990. Nonetheless, all that growth, in the opinion of the general, was largely on paper. It is well known that in the past, interior services in pursuit of a good showing quite often concealed crimes from statistics or ignored some as minor. At present the situation has changed.

Gen. Vladislav Massimovskiy goes on:

The system of crime registration has become more objective and closer to the real situation, Gen. Massimosvkiy says, and this reality is now the object of our thorough study, the object of concern and concrete action.

At present most of the crimes, two out of three have, in one way or another, something to do with the property of citizens or the state. The nature of crimes has also changed. Most of them are committed by organized groups that use firearms. About 2,000 such groups were rendered harmless last year. Their members committed nearly 10,000 serious crimes.

As for the amount of arms in the possession of the criminal world, it has grown considerably. Gen. Massimovskiy listed some of the sources:

The arsenal has grown not only at the expense of the more intensive use of traditional sources, stealing and concealing from registration, but through the sale from

factories, storage bases, army units, and also the extension of contraband networks.

On Russian territory, over 16,000 firearms are considered lost. The population possesses more than one million firearms illegally and about four million such arms legally.

On the safety of food resources, including cargoes of humanitarian aid from the West, Gen. Anatoliy Ramakhov said:

The number of attempts to steal transported cargoes has increased sixfold in the past five years. These make up 65 percent of all attempts to steal food and still the situation is not as bad as it may seem. According to Gen. Ramakhov, at the Moscow railways not a single case of stealing during the transportation of humanitarian cargoes has been registered recently.

Further on Crime Statistics

LD0102062792 Moscow TASS in English 1619 GMT 28 Jan 92

[By CRIME-PRESS—TASS correspondents Vadim Malyutin and Sergey Oleinik]

[Text] Moscow January 28 (TASS)—At a briefing held at the Russian Interior Minsitry's press centre here today, Major General Vladimir Kolesnikov urged tougher penalties for crimes, "right up to hard labour and life imprisonment".

The militia general's categoricity can be perhaps accounted for by the hard situation in which law enforcement agencies have found themselves of late.

This conclusion suggests itself even after a cursory glance on statistics given by the Interior Ministry representatives. More than two million crimes were registered in Russia over the past year. There were 1,166 attacks on militia personnel, with 300 militiamen killed.

Interior Ministry representatives believe that firearms should remain beyond the reach of law-abiding citizens.

A decline in the crime exposure rate in the economic sphere became a characteristic trend in 1991: 10,000 crimes less were exposed as compared with the previous year. Not a minor role has been played in this respect by corruption among militia, which was frankly admitted by Interior Ministry representatives.

Over the past eleven months alone, 31 corrupt militiamen have been exposed by state security personnel and another 260 corrupt guardians of the order have been uncovered by their own colleagues.

Official on 'Disastrous' State of Health Care

OW0402002792 Moscow INTERFAX in English 1641 GMT 3 Feb 92

[Transmitted via KYODO]

[Text] Russian medics plan to continue the fight for their rights, says Mikhail Kuzmenko, chairman of the Central Committee of the health services trade union. He reminded in an interview with IF [INTERFAX] that the disastrous state of Russian health services had forced the republican medics to stage collective month-long protest actions on January 21. According to Kuzmenko, "the huge health care sector deficit and the lack of essential medicine and health care equipment put most health care facilities on the verge of closure."

Russian medics see a way out in an early passage of a code "On Russian Population's Health Protection", the increase of the share of the GDP spent on health care to 12% and far higher salaries.

Kuzmenko noted that the trade union's central Committee planned to submit to the government a comprehensive program of budget appropriations for payroll and the development of health care services. The trade union reserves the right to resume the strike if the government does not meet the demands before March 15.

Opposing Parties To Converge on White House

Various Groups Plan Demonstrations

LD0202122192 Moscow Radio Rossii Network in Russian 1000 GMT 2 Feb 92

[Text] A march on the Russian White House is planned in Moscow for 9 February. It is learned that on that day, from 1200 to 1600 a rally will be held near the walls of the White House, organized by the Living Ring [Zhivoye Koltso], by the August-'91 organization [Avgust-'91], the Moscow Tribune [Moskovskaya Tribuna], Democratic Russia, and other democratically oriented parties and movements.

A rally by Working Moscow [Trudovaya Moskva] and other communist organizations, which was planned to take place on the same spot at the same time, has been transferred to another location, presently being agreed upon, due to the danger of a clash.

Calling for participation in the march on the White House, the non-communists are against the economic reforms of the government of Boris Yeltsin, are demanding his resignation, and are protesting the liberalization of prices.

Defense Against Pro-Communists Urged

OW0102190892 Moscow INTERFAX in English 1640 GMT 1 Feb 92

[Transmitted via KYODO]

[Text] Russian Minister for the Press and Media Mikhail Poltoranin stated that the "pro-communist revanchists have got united" and that numerous meetings in Moscow and other Russian cities were held according to their scenarios. Mikhail Poltoranin made this statement

on Saturday [1 February], at a meeting of Moscow democratic forces, which urged Muscovites to hold a rally in defence of democracy on February 9. The action will be organized in response to the pro-communist forces' plans to organize a march to the Russian government building, also scheduled for February 9. Mikhail Poltoranin said there were forces in the Russian parliament which were nursing plans to deprive all administrative workers, including ministers and heads of local administration, of their deputy's mandates. Should this happen, the balance of forces in parliament will be in favour of the former party bureaucrats. Economist Larissa Piyasheva, who also spoke at the meeting, expressed fear lest clashes may occur between the demonstrators on February 9, in front of the government building. She also said that an "ominous third force" was preparing for such a clash. The meeting adopted an appeal to the citizens of Russia which says that the "party bureaucrats, who have buried perestroika to save their posts are now trying to bury the people's hopes for a better future". The appeal also urges "to show to the nation and to the world that the Moscow democratic forces which gained victory io August are alive" and notes that the pro-communist forces should be given a non-violent rebuff. The meeting of democratic forces will begin at 10:30, in Arbat Square form which the demonstrators will march to the government building.

Neo-Communist Threat Warned Against

LD0402113892 Moscow Radio Rossii Network in Russian 1300 GMT 1 Feb 92

[Excerpt] An assembly of democratic forces has ended in Moscow. About 2,000 delegates, representing Democratic Russia, the Moscow Tribune club, the August 91 club, Living Ring, and other public associations, drew attention to the red-and-brown threat posed by neo-Communist organizations.

The latter are planning to hold a demonstration outside the White House in Moscow and to demand the resignation of the Russian president and Government. The democratic forces called for a counter-demonstration. Our correspondent Vyacheslav Osipov has the details:

[Begin recording] [Osipov] The first impression of the democrats' assembly is the following. It appears that they have woken up and are trying to eliminate the squabbles and disagreements among themselves and to act as a united front. One way or the other (Andrey Nuykin), Gleb Yakunin, (Larisa Biyasheva), and (Sergey Bukalov) all warned that the people who, as they put it, are trying to thrust Russia back into the recovery room of developed socialism must be prevented from coming to power.

The democratic forces believe that the present Government's existence is jeopardized by the fact that the president and his team are, increasingly, surrounded by former members of the CPSU Central Committee establishment.

[Unidentified speaker] In practice, they now hold all power at oblast and rayon levels. The symbol of this pyramid-shaped nomenklatura is the figure of Yuriy Petrov. He is our own Russian Boldin [presidential chief of staff arrested on 23 August last year. Petrov is Yeltsin's head of administation] One of our most important demands must be the resignation of Yuriy Petrov. The time has come to purge the establishment, including the presidential establishment, of such party apparatchiks who are holding up reform and eroding our democratic structures.

[Osipov] For the sake of accuracy, I ought to add that the democratic forces do not agree with all the actions of the Russian Government. Some criticism and, in my view, sensible suggestions were also heard. [passage omitted] [end recording]

Destination Changed to Red Square

OW0402001392 Moscow INTERFAX in English 1641 GMT 3 Feb 92

[Transmitted via KYODO]

[Text] A large-scale protest action known as a "march on the White House" will take place, as was scheduled, on February 9. However, following consultations with the municipal authorities, the route was altered and the destination will be the Red Square, said Vasiliy Makarov, representative of the Working Moscow, one of the action organizers, to IF [INTERFAX] on Monday [3 February]. According to the activist, the objective of the march is unchanged: Protest against the spiralling prices and immediate resignation of the government. Among its participants, said Makarov, will be the Communist Bolshevik Party, the Skurlatov Patriotic Party, the Working People's Socialist Party, etc. The demonstration will be "purely peaceful" and its participants "did not plan to bite the bait of the so-called democrats."

Trade Unions Oppose Mass Gathering

LD0402105592 Moscow Mayak Radio Network in Russian 0900 GMT 4 Feb 92

[Text] Moscow trade unions have called for averting mass disturbances on 9 February. As you know, that day, Workers' Russia and the Russian Communist Workers' Party have planned a march on the White House. A demonstration is being prepared by Democratic Russia with the opposite aim—defending the White House.

The Information Center of the Moscow Trade Unions has today issued a statement from the Presidium of the Council suggesting, among other things, that all interested parties should as soon as possible discuss the situation which has arisen at a round table in order to work out constructive proposals to get out of the crisis situation.

'Right-Centrist' Opposition Congress Organized

LD0102141292 Moscow TASS International Service in Russian 1621 GMT 30 Jan 92

[By ITAR-TASS correspondent Galina Vinitskaya]

[Text] Moscow, 30 Jan (TASS)— To consolidate the democratic opposition of right-centrist orientation is the aim set by organizers of the Congress of Civil and Patriotic Forces which is planned for 8-9 February in Moscow. This was announced at a news conference today by Viktor Aksyuchits, chairman of the congress organizing committee and chairman of the Political Council of the Russian Christian Democratic Movement.

It is not ruled out, he stated, that it will prove possible at this congress to found a political organization which will confront "the ruling left-liberal and left-radical wing in our political life". Thus, he explained, it will be a distinctive counterbalance to the "Democratic Russia" bloc of parties on the one hand, and to the Movement for Democratic Reforms on the other, which will create, in his opinion, "a realistic ground for real democratic pluralism".

In the organizing committee, apart from the Christian Democratic Movement, the following are also represented: the Kadets' Party [Constitutional Democratic Party], the Russian National Union, the "Smena-New Policy" Movement [Smena-Novaya Politika], the "Russia" faction in the Russian parliament, "Smena", a number of Cossack and educational organizations, and Orthodox brotherhoods.

Viktor Aksyuchits noted that representatives of the editorial boards of the magazines VOZROZHDENIYE, MOSKVA, RODINA, NOVYY MIR, and also representatives of the Russian, the Russian-speaking population in the republics of the former union and of the Russian community abroad intend to take part in the forum.

It is intended, he said, that some political figures, guests of the forum, in particular, Aleksandr Rutskoy, Russian vice president; Galina Starovoytova, state adviser for national issues; and Yevgeniy Saburov, republic's former Minister of Economics, publicists and authors will speak at the congress.

'Free Russia' Not To Attend

LD0302015592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0900 GMT 31 Jan 92

[From the "Novosti" newscast]

[Text] A congress of the Civil and Patriotic Forces of Russia will be held on 8-9 February in Moscow. At a news conference today devoted to this event, harsh criticism was levelled at current Russian leaders. Congress organizers, leaders of the Cadets and Christian Democrats, accuse them of indifference to Russia's national interests and of having an ill-considered economic and social policy. The main task of the congress is to found an alliance of civil and patriotic forces [soyuz grazhdanskikh i patrioticheskykh sil] to be a prop for a government of national accord.

Taking an active part in the congress will be the Russian Popular Alliance. The People's Party of Free Russia refused to join a coalition with the democratic patriots. However, according to those taking part in the news conference, the party's leader, Aleksandr Rutskoy, has called this decision a mistake. The main tenets of the democratic patriots [demopatrioty] are strong state power guaranteeing citizens' rights and freedoms, an indivisible Russia and a single army.

[Begin recording] [Unidentified speaker] Our job is to demonstrate that it is possible to have a patriotic movement in our country that is neither red nor brown. When democrats are not afraid to call themselves patriots, we have a pledge for our development in the future. [end recording]

Fears are already being voiced that the congress may take on too right-wing a character. Do you share these fears?

[Begin recording] [Unidentifed speaker] These fears are completely unfounded. We distance ourselves both from the political utopias of the radical left and all the forces which personify it and from all ultra-right forces. Pamyat, Zhirinovsky, and others of that ilk will not be at the congress. [end recording]

Lysenko Discusses Tasks of Republican Party

LD0302115992 Moscow TASS in English 1040 GMT 3 Feb 92

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow February 3 TASS—"The Republican Party of the Russian Federation, registered in the Autumn of 1990, holds centre place among Russia's democratic forces. It is the only party that is affiliated both to the 'Democratic Russia' movement and to the Movement for Democratic Reforms," co-chairman of the Republican Party Vladimir Lysenko told ITAR-TASS.

According to Lysenko, the party's task is to rally all sober-minded people, who adhere to centrist positions. However, it cannot be said that the Republicans unconditionally support the stands of both movements. "I am very much concerned about the so-called nomenclature faction of the Movement for Democratic Reforms, which enjoys much influence in the country, and by the very strong radical sentiments within the 'Democratic Russia' movement, which may ruin the latter, because they alienate many intellectuals," Lysenko stressed.

The Republican Party was founded on the basis of the "democratic platform", which broke away from the

Communist Party of the Soviet Union, when the latter was still in power. Today, the Republican Party has 5,000 members. Approximately one-third of them are small and medium businessmen. In spite of its comparatively small membership, the party has cells all over the Russian Federation. "I believe this is an important indicator that the party is bound to grow," Lysenko stressed. The Republican Party has a more than 50-man strong and rather active faction in the Russian Parliament.

"Our party actively supports Gennadiy Burbulis, Yegor Gaydar and Aleksandr Shokhin. We believe this team of young economists is doing everything possible in the present-day conditions, though not without serious miscalculations, of course. If the Government resigns, this may produce a social explosion and bring to power right-wing forces," Lysenko noted.

Describing the current balance of political forces, Lysenko said that there were three main tendencies in present-day Russia: the communist trend, which is living through a deep crisis and can hardly be expected to perk up quickly, the democratic trend, oriented towards the West, whose purpose is to return Russia to the bosom of civilisation, and the national-patriotic trend, which places prizes the State above everything else. Lysenko believes the latter is now the most formidable force opposing the democratic movement and the Russian leadership. "However, it is not homogenous and the democrats should promote cooperation with some parties adhering to this trend", Lysenko believes.

'Democratic Russia' To Hold Congress in Mar

OW0402120692 Moscow INTERFAX in English 1058 GMT 4 Feb 92

[Transmitted via KYODO]

[Text] The movement "Democratic Russia" is planning to hold a special congress in St. Petersburg in late March. This decision was taken by the council of its bloc of parliamentary factions Monday [3 February] evening. The council discussed what had caused the crisis in the movement's leadership and the ways to overcome it.

As IF's [INTERFAX] correspondent learned from a member of the movement's coordinating council, MP [member of parliament] Vladimir Lysenko, the special congress is designed to evaluate the process of economic reforms, adopt policy documents for "Democratic Russia" and form its new leading bodies. It has been decided to suggest that the former leaders of the movement, Yuriy Afanasyev, Bella Denisenko, Marina Salye and Leonid Babkin, should resume their work in the movement's leadership. Recently they announced a suspension of their membership in "Democratic Russia".

Democratic Russia Urges Russian Army, Reform

LD0402112192 Moscow Radio Rossii Network in Russian 1000 GMT 1 Feb 92

[Text] Military reform should be carried out forthwith and a Russian Armed Forces should be set up immediately: such a call is contained in the appeal sent to Boris Yeltsin on 31 January by the coordinating council of the Democratic Russia Movement.

The coordinating council regards the development of events in the Armed Forces and around them as alarming and dangerous. The waiting game being played by the Russian leadership is leading to an activization of reactionary forces in the army, the appeal says.

Relying on the leadership of the CIS [Commonwealth of Independent States] Armed Forces is politically erroneous, in the coordinating council's view, inasmuch as it creates the illusion of the Army being subordinated to the Russian Government, and thus gives occasion for accusing Russia of imperial ambitions.

Communists Demand 'Party Trial' of Gorbachev

PM0302093392 Moscow PRAVDA in Russian 30 Jan 92 p 1

[Untitled PRAVDA-TASS report under the "Newsbeat" rubric]

[Text] A conference of the "Communists for Citizens' Rights" sociopolitical movement has been held in the city on the Neva. An appeal to CPSU and Russian Communist Party members was adopted.

Among other things, the document says that the betrayal perpetrated by the partyocracy, which has now been reborn as an upholder of democracy, is obvious to all honest and thinking citizens. We must rehabilitate ourselves in the eyes of these people and demonstrate that we will not bow down in the face of lawlessness. No honest Communist views the rehabilitation of the party as a pretext for its monopolizing power. We must restore the CPSU on a legitimate basis, in order first of all to conduct a party trial of Gorbachev and the other representatives of the party elite who led the country, a great power, into collapse, chaos, shame, and humiliation.

"We can wait no longer," the appeal stresses. "People will not forgive us our humiliating silence."

It gives instructions to begin collecting signatures in all regions for an appeal to B.N. Yeltsin, the Russian Supreme Soviet, and the Constitutional Court demanding the repeal of the presidential decree on suspending the activity of the CPSU and the RSFSR Communist Party.

Peasant Party Discusses Appeal to Yeltsin

LD0302043792 Moscow TASS in English 1855 GMT 1 Feb 92

[By ITAR-TASS correspondent Aleksandr Krasulin]

[Text] Moscow February 1 (TASS)—"No one will provide Russia with food without farmers, but without the support of the president farmers will never become a real force, and the number of farmers will never be running into millions," said Yuriy Chernichenko, chairman of the Peasant Party of Russia.

Speaking today at the opening of the second extraordinary congress of the Peasant Party, he submitted to delegates from 53 party branches in 39 regions a draft appeal to President Yeltsin. The document points out that the putting of heads of collective and state farms at the head of commissions for the privatisation of property of collective and state farms will lead to the "changing of signboards, and power will be exchanged for property".

In the opinion of Chernichenko, the introduction of the obligatory 25 per cent quota of the delivery of farm produce by individual farms furthers political rather than economic aims, because at present individual farmers account only for 2 per cent of agricultural output. In the experienced hands of the nomenklatura this measure can become an instrument which will turn thousands of individual farmers into bankrupts.

Touching upon the activities of the party, Chernichenko said that the Peasant Party of Russia was entering a new stage of its development—the stage of political struggle. Defending the interests of peasants, the party is going to seek the election of its members to soviets of various levels, including the Supreme Soviet (parliament). Ahead of the forthcoming parliamentary elections the Peasant Party is going to form the New Russia bloc with the People's Party of Russia, the Democratic Party of Russia and the Social Democratic Party.

Zhirinovskiy Meets Press at LDP Plenum

LD0402043792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 1 Feb 92

[From the "Novosti" newscast]

[Text] The Liberal Democratic Party [LDP] held its plenum today. Chairman Vladimir Zhirinovskiy even managed to meet the press. [video shows Zhirinovskiy in small room, wearing flak jacket on top of bullet-proof vest]

Whenever the Liberal Democratic Party and its leader Zhirinovskiy get a mention in the press, the words scandal, provocation and irresponsibility are almost always used. Vladimir Wolfovich did not fail us this time, either. After heaping criticism on the government's economic policy, he expounded his own, fundamentally opposite, policy, promising to lead his supporters onto Manezh Square on 23 February. As for the rest, let them fight one another for the time being. Announcing the forthcoming congress of the LDP, he said that if he came to power, he would join Kazakhstan and Kyrgyzstan to Russian. He threatened other neighbors, including the Ukraine and the Baltics, with no oil or gas, even for hospitals and schools. In passing, he lashed out at America, Germany and Japan.

So the LDP does indeed have a program, but will Mr. Zhirinovskiy's dream come true? Will misfortune and ruin drive us to lose our senses to the extent that we agree with the Liberal Democrats' plans, adopted in the Moscow Oblast rest home with the tender name of friendship [druzhba].

Poll Shows Discontent Among Servicemen

OW3101145092 Moscow INTERFAX in English 1339 GMT 31 Jan 92

[Transmitted via KYODO]

[Text] The independent union of servicemen has conducted a sociological poll among officers, largely in the Moscow military district. The questions concerned their living and service conditions, and social security. 56% of respondents said that officers' money allowances provide for very low living standards. 44% of those questioned said that such allowances are insufficient altogether. 75% of respondents are dissatisfied with their housing. 50% are dissatisfied with the quality of health service. 82% feel a lack of social security. According to respondents, the major reasons why they leave service earlier include financial insecurity, problems with housing, dissatisfaction with service conditions, insufficient social and legal security, low morale and limited personal freedom.

Currency Reform 'Solely' Protective Measure

LD0402102692 Moscow Russian Television Network in Russian 1700 GMT 31 Jan 92

[Video report by "Vesti" announcer Svetlana Sorokina, including excerpts of recorded interview with Andrey Nechayev, Russian deputy minister of economy and finance, with unidentified journalist; date not given, in Nechayev's office; from the "Vesti" newscast]

[Text] [Sorokina] Yesterday's report on Channel-1 news that prices are once again to be increased many times over has alarmed not just viewers, but also Andrey Nechayev, Russia's deputy minister of economy and finance. Today he asked for an opportunity to put the matter straight.

[Nechayev] Prices will continue to increase but not, of course, at anything like the rate which occurred in January. We believe that, if we can restrict further growth in the money supply, we will halt this highly inflationary increase in prices as of mid-year and price

increases will then be of the order of, say, 10 percent instead of... [sentence incomplete as heard]

[Sorokina] Continuing his remarks about the future of our reforms, the Russian minister also referred to rumors that currency reform is under preparation.

[Nechayev] We have always regarded currency reform solely as a protective measure in case other republics—I mean big republics, ones like the Ukraine, first and foremost—introduce their own currency. If that happened, then Russia would probably have to introduce its own currency too in order to protect itself against an inflow of worthless rubles from those Republics. We do not intend to confiscate anything. As far as Russian citizens are concerned, we are exchanging everything—so as to ensure that their incomes and savings do not suffer.

[Sorokina] Reviewing the first results of the deregulation of prices, the Russian minister admitted that measures to provide social security for the public had been inadequate. He promised that this question would be resolved shortly.

Central Bank Chief Matyukhin Interviewed

PM0302133592 Moscow SOVETSKAYA ROSSIYA in Russian 31 Jan 92 p 1

[Interview with G.G. Matyukhin, chairman of the Russian Central Bank, by N. Starilov; place and place not given: "What is the Ruble Worth Nowadays?"]

[Text] [Starilov] Georgiy Gavrilovich, what is causing the greatest concern to the chairman of the Russian Central Bank right now?

[Matyukhin] Above all, of course, the circulation of cash, reciprocal transactions with other republics and the Russian Federation Finance Ministry, and guaranteeing the internal convertibility of the ruble [R].

[Starilov] Do we have enough hard currency to exchange our "worthless" currency, as they say now?

[Matyukhin] We have hard currency—what we lack are rubles. For some reason, there is a belief that rubles abound in our country, but they simply do not.

[Starilov] In other words, despite the existing view on the shortage of hard currency for exchange transactions, the situation is actually the other way around. Has this got anything to do with the dollar's incredibly and artificially high [neimoverno zavyshennyy kurs] exchange rate?

[Matyukhin] At the current exchange rate, R1.5 trillion rubles are required. This is double what there is—not in fact, but in theory: In our country, savings bank deposits, for example, are considered cash, but this money, after all, disappeared long ago, so this is "theoretical money." Anyway, who started this "vicious rumor" about a surplus of money in circulation? It is a completely ill-informed opinion. For us inflation was never the consequence of a surplus of money in circulation. Prices always increased owing to administrative orders, not because the population had too much money. But what, for example, has happened now? Owing to the fact that we have a monopoly structure in our country, each monopoly sector is simply competing with each other to increase prices. Therefore, we have been confronted by a situation where, say, one kilogram of sour cream is sold and the rest either gets poured down the drain or fed to the hogs. The young pigs are living well right now—they are being fed on milk.

In our country, money always trailed after a price increase. But because some groups had accumulated money... But this is not an indicator. This stratum is very small, although, admittedly, it could give the appearance of a surplus of money. But in fact this is not the case. In our country right now, the entire industrial sector, agriculture, and even trade is without money and without monetary resources. Not to mention the population.

[Starilov] What is the reason for this situation?

[Matyukhin] Things have always been like this, it is just that we had a false impression of our monetary system. For example, the real reason for our misfortune and the economic crisis is disproportion and supermonopolization. But it is better to lay all the blame in the monetary sphere. The reason for today's cash problem is twofold: On the one hand, the increase in prices for goods in everyday demand, and on the other hand, our so-called "new businessmen" always preferred and still prefer to settle accounts between themselves in cash for commodity and material valuables. This fitted well into our economic system: It was easy to offer bribes. But when commodity and material valuables are drawn into the current money turnover, no amount of cash is enough. And, naturally, there has been a rise in the issue of money because restrictions controlling wages have been removed and enterprises are allowed to settle accounts in cash, which was not the case before. This is what happened. But there, the increase was generally minimal compared to today. The biggest increase began after the price hikes, when we were forced to pay out more in compensation, and moreover in cash.

[Starilov] So why is there a R12-billion shortfall now?

[Matyukhin] In December it was a R12-billion shortfall, now it is R10 billion. The fact is that production facilities (the printing of money) have not kept pace with the price hikes. The bank is being taken to task over cash, but Goznak [State Administration for the Production of State Bank Notes, Coins, and Medals] is the Finance Ministry's domain. So they should be the ones concerned about increasing production facilities. Back at the time when the Pavlov "reform" was being dreamed up, the USSR Finance Ministry should have thought about purchasing supplementary equipment. And now, before

introducing liberalization, our government should have gone to Goznak and asked: Can you print such an amount or not?

[Starilov] Are they really so naive? Perhaps there was a longer-term aim—let us not bother increasing capacities, and this will work as a "natural" restraint on cash supply.

[Matyukhin] Right, well, we have this restraint. And there is nothing with which to pay wages. While a person still has something in his pocket he can be reasoned with in some way, but when he has nothing, and moreover if he is not very au fait with all these nuances...

[Starilov] So why do we constantly hear about the need to restrict emissions as a means of fighting inflation?

[Matyukhin] Look, some guys from the West dropped in on us—guys who are well able to sit and rationalize over there, across the ocean—but we have to face the reality. So they say that the reform's failings are the fault of the Central Bank and the parliament. Very good. It is simply staggeringly smart. What if we have to suspend wage payments altogether? What will happen? Now we are trying to limit credits, but you know we cannot stop them completely. Enterprises are in a very difficult position. If we stop issuing credit, they will simply grind to a halt. There will be unemployment and that is the long and short of it. But I still hope that we will put a stop to the process of price increases through our monetary and credit policy.

[Starilov] In other words, it is not cash which will be restricted...

[Matyukhin] ...But non-cash facilities will be restricted. We are going to reduce credit sharply for those enterprises which stockpile goods for themselves in anticipation of further price hikes. A whole range of measures has been elaborated to bring the cash back into the banking system. Recently, the Supreme Soviet Presidium adopted a resolution on the basis of which we can now follow the movement of cash resources in each region very closely.

Then there is the question of relations with the republics. You know, previously in our country there was the "common basket" system, whereby every republic could dip into it using the spoon given to them by the Central Committee. Those who came and groveled got a big spoon, and those who were late got a small one. As of January, all republics were switched to offsetting accounts [korrespondentskiye scheta], therefore we will have a balance of payments with each republic. The movement of cash and non-cash will be monitored.

[Starilov] Let me ask straight away about the newly introduced "ruble intervention"...

[Matyukhin] Well, it holds no terrors for us in the current situation, because we have precise statistics on how much each republic receives in cash, which is now recorded in the amount that republic owes to us.

[Starilov] So there is no way that that republic could turn around tomorrow and say: Get lost and take your debt demands with you, we are independent now?

[Matyukhin] We too have accounts with them, in that case we would, after all, cut off everything going in that direction.

[Starilov] And what if they introduce their own currency?

[Matyukhin] Then close all accounts with us. We will not accept their currency. You know, just because somebody introduces their own bank notes, this does not mean I agree to take them.

[Starilov] You will have to take them, because they will sell their goods here, to Russia. Russia is going to pay them in rubles.

[Matyukhin] Sitting down together and trading as partners is one thing, but trade has been decentralized. Say a plant delivers its product to the Ukraine, and suddenly it gets gryvnas [Ukrainian currency unit] in return, and say this plant has suppliers elsewhere: some in Kazakhstan, some in Russia—they won't want this currency there. If you would take them, I would give you these gryvnas, but your concern will be what to do with them. Our business is banking—we simply organize movement. These gryvnas of yours are needed by some limited number of clients, but on the whole rubles are what is needed, because I can use rubles to trade with Kazakhstan, Central Asia, and in Russia, whereas gryvnas would bind me to the Ukraine alone.

[Starilov] What about the Baltic Region?

[Matyukhin] It is still dragging its heels. Lithuania has already issued all departments with its own money, but they are in no hurry to introduce it because they understand: "We do not know how it will all work out."

[Starilov] So why did they print it?

[Matyukhin] You will have to ask them. Political pressure. We, too, if we were pressured, would have to print a new currency. All right, if you really feel like it. But the fact that rubles are now coming our way from the Ukraine is all well and good: Let them come, and we will be able to pay people's wages.

[Starilov] Do you think that in spite of everything the so-called "ruble intervention" is a good thing?

[Matyukhin] Of course. Then people will ask for more from us, and we will lend it to them. There is 20 percent interest now on cash loans to all republics. Take it or leave it. They are starving themselves out. Rubles are flowing out, but how many coupons will they need to issue? Non-cash accounts will still be payable in rubles, but no one will be using coupons in settling accounts for deliveries of petroleum and cars.

[Starilov] In short, it will be the same ruble, only in other forms.

[Matyukhin] Precisely. It will take years, decades, to create one's own currency. If former USSR republics managed to break into the Western markets quickly, their currency would be linked to another currency—not the ruble—but maybe to the Deutschmark, for example, but trailing in its wake nonetheless. All the world's currencies are linked. Only the U.S. dollar, the yen, and two or three others are unfettered.

[Starilov] What do you think of the "price liberalization"? They just went and increased prices tenfold...

[Matyukhin] This was quite obvious. We wrote our views on the liberalization project and sent them to the president and Gaydar. The Central Bank's position is that liberalization should be conducted on a sector by sector basis in the economy, that is, in those sectors where it is possible to create competition or where it already exists: In a monopoly, liberalization can only produce the results it did produce—the monopoly immediately begins to reduce production and increase prices, anybody can understand that.

[Starilov] And the final question. How will the remarkable "war of banks" end?

[Matyukhin] It did not take place. In Moscow, about five banks "rebelled" under Yegorov's leadership—he used to sit here in this building, first advocating one position and then a directly opposing one. Our country has 1,250 commercial banks, and there is no particular friction. Of course, there are "deviations" on our part and on theirs, but we put our workers back on the right track, and they theirs, and eventually we find common ground.

Officials Cited on State of Foreign Trade

PM0402090192 Moscow IZVESTIYA in Russian 28 Jan 92 Morning Edition p 2

[Vasiliy Kononenko report: "Commodity Intervention Not Expected Yet"]

[Text] "We are not just a debtor country: In many areas, we are totally dependent on foreign credits." This was the dismal statement with which Yu. Petrov and R. Piskopel, representatives of the Russian Committee for Foreign Economic Relations, opened their press conference. In an obvious attempt to reassure people, they also said that Russia has now signed an agreement on foreign economic activity with virtually every country in Europe. Viewed against the background of the crisis, Russia's exports last year do not appear to be a total disaster. But this is explained by the specific features of the exports in question. For example, as is well known, oil and gas are not sold in batches but supplied through pipelines. This leads to some strange situations: Russia is still supplying oil to Poland although there is no agreement on payments.

Asked by your IZVESTIYA correspondent why the president's decree on liberalizing foreign economic activity has not worked—there are no signs of foreign commodity intervention in Russia—Yu. Petrov stressed that this normative act is concerned with greater freedom of trade. But it has not opened the way to greater freedom. The same task still remains: to bring the appropriate normative acts into line with the system of restrictions accepted throughout the world. As far as the process of exporting our goods is concerned, he continued, our exports are held back by high customs duties. For example, on the basis of the market rate of the ECU [European Currency Unit], export duties are expected to generate 197 billion rubles in budget revenue for Russia this year. That is equivalent to 40-45 percent of the budget. From the point of view of commonsense, the amount is pitched too high.

On the other hand, import restrictions and restrictive licensing still remain because of the unbalanced, unstable market, which also acts as a check on export revenue. Moreover, there is plenty of bureaucracy in this sphere. The Committee for Foreign Economic Relations is now forming its own "emergency team" so that producers can obtain a license to export their goods without any delays. All they will have to do is telephone the committee by direct line.

With regard to commodity intervention resulting from massive purchases abroad, ordinary people will find it impossible to buy these goods because of the ruble's depressed exchange rate. The ruble needs to be financially stabilized, although Yu. Petrov stressed that we have one reserve left: to cooperate with countries with nonconvertible currency. We must abandon the mistaken practice of making settlements in dollars and base our trade and economic relations on acceptable principles within a bilateral framework. It is clear from the above, that we are not going to be swamped by Western goods at affordable prices.

Foreign Trade Licensing, Quotas Systematized

LD0202035292 Moscow TASS International Service in Russian 1514 GMT 29 Jan 92

[By BIZNES-TASS correspondent Aleksandr Fedoseyev]

[Text] Moscow, 29 Jan (TASS)—A single procedure is being introduced in Russia for licensing and setting quotas for export and import of goods for all subjects of economic activity regardless of forms of property. The orders and instructions issued recently by the state customs committee of the Russian Federation serve the aim of creating in the republic a single mechanism for regulating foreign economic activity.

According to these documents, the overall monitoring of the export of goods requiring a license from the territory of the republic has been made the responsibility of the

state customs committee while the functions of preventing the export of goods without permission from the customs bodies is the responsibility of the internal affairs bodies.

The penalty for exporting goods in violation of the prescribed procedure will be a fine equal to the market value of the goods in question. All goods crossing the borders of the Russian Federation within the CIS [Commonwealth of Independent States] will, beginning 1 July 1992, need to be declared and to have customs documentation. It will not be necessary to have customs documentation for goods in transit between CIS member-states and also between CIS member-states and third countries.

Beginning 1 January 1992 the state customs committee of the Russian Federation has also introduced special export duties on particular goods including those supplied under barter operations which are being exported from the territory of the republic to the Baltic countries, the Republic of Georgia and other countries which are not members of the CIS.

Export customs duties are being set in ECU's [european currency units] on a fixed scale per unit of weight of the goods and are due to be paid either before or at the moment of presenting the goods for customs control. The duty is to be paid in rubles. The rate of the duty in foreign currency is to be converted into rubles at the market rate of the ruble at the moment of paying the duty.

Weekly Program Reports Economic Reform News

LD0302150892

[Editorial Report] Moscow Radio Rossii Network in Russian at 1100 GMT on 3 February carries the 20-minute "Our Opportunity" [Nash Shans] program instead of a regular newscast. According to the unidentified presenter, "Our Opportunity" is a "weekly program from the Radio Rossii news service devoted to the economic reform". The program included the roundup of price deregulation news. The presenter says: "According to figures from the Russian state committee for statistics, the greatest burst of inflation recorded was during the second-third week of January. During the third-fourth week, however, prices became relatively stable. A slight decrease was recorded over one-fourth of Russian territory. Yet in one-third of all oblasts a moderate growth continued. The price of sour cream stabilized throughout the country, at between 30 and 45 rubles. The statistics authorities are not yet ready to calculate an overall consumer price index for Russia. Not surprisingly, given the vast discrepancies in prices for the same goods. It is still impossible to determine the going rates for most products. For example, prices for beef range from 30 to 118 rubles. Moreover, they can vary by as much in two neighboring towns, even in one town. The highest prices remain in Moscow and St. Petersburg".

There is a report from Kemerovo about living standards in free-fall. People are tightening their belts, seeking second jobs, moonlighting, and have no time for street demos and protests.

A reporter from Komi, where prices are up by 15-20 times, ponders the practicality of freeing prices while a state monopoly is still in place. But never mind, she says, we put up with the communists for 70 years and we will survive this as well.

Pavel Bunich, who recently attended a conference between economists and Khasbulatov, is interviewed. He believes that prices will continue to rise for at least another year, and that the worst is yet to come.

On February 6 the Russian Supreme Soviet will examine a law on collective bargaining at enterprises working under free-market conditions. In an interview, a trade union official bemoans the way that factory bosses can ignore agreements with employees because of light penalties.

Supreme Soviet

Hearings Held on KGB Role in Aug Coup

Lisov Cites KGB Document

LD0402153792 Moscow Mayak Radio Network in Russian 1130 GMT 4 Feb 92

[Text] At the Russian Supreme Soviet session. Parliament is today conducting hearings into the role played by the bodies of repression in preparing for the August 19 coup. At these hearings, Russian Deputy Procurator-General Lisov said that the USSR KGB played the leading part. It consisted primarily of the following:

[Begin Lisov recording] Preparing and designing operations to isolate the most active opponents of the conspiracy, as identified by the plotters. A list was drawn up, it does exist. This amounted to preparing for seizure of the House of Soviets and subsequent liquidation of Russian leaders, mainly, who put up the most resistance. Also, restricting many other institutions of democracy during preparations for and implementation of the conspiracy—restricting the role of the press, radio and television, and so on.

What I am saying here is somewhat dry in form, so to liven it up I would like to quote just one small document, which might to a degree illustrate to you what I mean. The document was discovered during a search of Yanayev's office. It was drawn up by the KGB, that is absolutely clear. It is dated August 19, unsigned of course, and is titled "On certain rules for the state of emergency":

1. Do not lose the initiative, or enter into any kind of talks with the public. This has often led to failure because of the wish to retain a pretence of democracy. As a result,

the public gradually gets the idea that you can argue with the authorities, and this is the first step toward subsequent resistance.

2. Do not allow even initial manifestations of disloyalty, rallies, hunger strikes, petitions, or any reports about them. Otherwise they become an acceptable form of resistance, to be followed by more active forms. If you want little bloodshed, nip all such contradictions in the bud.

3. Do not be shy of taking on the most outspoken populists, of feeding the public with full details of the crimes of a political adversary. During the first days information will be greedily consumed by the public; that is the time to supply it with an avalanche of information, exposures, and revelations about criminal groups and syndicates, corruption, and so on, which will be gratefully received. Later on, information about the adversary should be couched in an ironic and mocking tone, along the lines of "See what a bunch were in charge of us?". Information should whenever possible be graphic and succinct.

5. [number as heard] Do not overdo the threats. Better to start rumors about the firmness of authorities, the maintenance of discipline at work and elsewhere, about supposedly systematic surprise checks at shops and places of public recreation, and so on.

6. Do not delay making personnel changes and reshuffles. The public should know who is being punished and for what glaring offences, and who now is answerable for what, who they should turn to with their problems.

So, if you have read through the SCSE [State Committee for the State of emergency] documentation properly you can imagine how it all proceeded, what kind of documents were drafted, and how it was intended to be put into effect. It is all here in front of me: An operational draft on enforcing the state of emergency from 20 August. It has the following headings:

[Word indistinct] adoption of emergency measures to correct tactical errors committed after 0400 on 20 August, [announcer pauses] and moves to correct errors made during the initial period of the state of emergency. It is shown here who should do what and how, and so on.

The State Security Committee not only prepared itself in advance, but quite thoroughly and subtly analyzed forecasts of possible practical consequences of the coup, and thus tried to influence the situation in the country. We have uncovered quite distinct and perceptible links between the KGB with organizations such as, first and foremost, the CPSU, the army, the Ministry of Interior Affairs—primarily with them, with the military-industrial complex. When the KGB documents on introducing a state of emergency were being drafted, they were being delivered day and night by special couriers to Staraya Ploshchad [former Headquarters the party Central Committee]. [end recording]

Investigation Commission Head Cited

LD0402124392

[Editorial Report] Moscow Mayak Radio Network in Russian at 1030 GMT on 4 February carries a 6-minute report by correspondent Lyudmila Semina from the Russian Supreme Soviet on today's parliamentary hearings concerning the "role of the repressive bodies in the preparations for and execution of the coup d'etat." Semina begins by noting that the hearings are very well attended.

She says that Sergey Vladimirovich Stepashin, head of both the state and parliamentary commissions, gave details of work done and conclusions drawn, and recalls details of the formation of the state commission. "No obstacles were created for the work of the commission; on the contrary, they got access, for example, to Boldin's famous safe, where some very spicy material, including that on bugging of top state figures, was found. The only thing that hampered the commission's investigation was that many documents were destroyed during the storming of the Lyubanka, which you will probably all recall."

"Well, now for the main conclusions drawn by the commission: the leadership of the KGB, headed by Kryuchkov, took the leading part in the events connected with 19-21 August. The coup was prepared—preparations began as early as autumn 1990. Imposition of a state of emergency was already being suggested. There existed both theoretical drafts and practical options." Semina says that Kryuchkov told the commission about the role of the events in Lithuania and the planned involvement of the "Alpha" group in the coup. The commission found evidence of illegal surveillance of deputies and of Yeltsin and Khasbulatov, she says. "There was even surveillance of Yanayev and Lukyanov; Kryuchkov did not trust them, to a certain extent."

Semina says that the KGB deliberately misinformed the leadership of the former USSR about the political and economic situation in the country and the situation in the armed forces. "The conclusion was being foisted on Gorbachev that it would not be possible to deal with the situation in the country without imposing a state of emergency. Naturally, there was also a great deal of material against destructive democratic forces. Gorbachev got full, purely deliberate disinformation about what happened in Lithuania."

Semina says that plans had long been prepared for Yeltsin's arrest, with the Alpha group ready to act immediately; there was also a list of 40 deputies who would be interned, but this was destroyed. The commission's conclusion on why the coup failed, Semina says, is that "as far as one can tell, the majority of rank- and-file staff of the Committee for State Security, of the bodies of repression, sabotaged the arrangements; there was this sabotage on the spot, they simply did not carry out their orders." Semina ends by recalling some of the steps to reorganize security services effected since the coup. She

notes that the main thing being said today is that there is a need for good legislation about state security bodies.

Further Stepashin Remarks

LD0402130992 Moscow TASS International Service in Russian 1043 GMT 4 Feb 92

[Report by ITAR-TASS correspondent Ivan Novikov]

[Excerpts] Moscow, 4 Feb (TASS)—One of the key roles in preparing and carrying out the coup d'etat in August last year belonged to the leadership of the former KGB, stated Sergey Stepashin, chairman of the Russian state commission investigating the causes and circumstances of the putsch. He spoke today at the "White House" at the open parliamentary hearings on the role of the repressive bodies of the former USSR in preparing and carrying out the coup. [passage omitted]

Sergey Stepashin has elaborated on the role of "Alfa" (a specialized subunit of the former KGB) during the time of the preparation and implementation of the putsch. This KGB subunit was instructed to arrest Boris Yeltsin, but no arrest warrant was issued by the KGB chiefs. As a result of conversations between the commission and General Karpukhin, the head of "Alfa," it became clear that it was well-prepared for the seizure of the "White House." However, no such order was received. Sergey Stepashin also said that instructions of KGB heads were often sabotaged by lower ranks. Instructions by the SCSE were not supported by many territorial KGB bodies, in particular, and a number of them carried out instructions of the Russian president.

Sergey Stepashin said in conclusion that a number of legislative acts, regulating the activities of special services, are to be adopted in the near future.

Value-Added Tax Adjustments Established

LD0402022592 Moscow TASS International Service in Russian 1535 GMT 3 Feb 92

[By ITAR-TASS correspondent Aleksey Tabachnikov]

[Text] Moscow, 3 Feb (ITAR-TASS)—The Russian Federation Supreme Soviet Presidium, which began work today, has abolished the levying of a value-added tax on the incomes of public catering enterprises—canteens at educational establishments, kindergartens, hospitals and other socio-cultural establishments financed from the budget.

A value-added tax rate of 15 percent has been fixed on consumer sales of flour, pasta, cereals, milk, buttermilk, cottage cheese and oil. This rule does not affect enterprises engaged in industrial processing of these products.

The results of the Minsk meeting of representatives of the supreme soviets of the CIS [Commonwealth of Independent States] member-states were also examined. Corresponding commissions and committees of the Russian Supreme Soviet were instructed to elaborate proposals on interparliamentary commissions, taking into account the joint interests of the CIS members.

The Presidium approved a draft agreement on interparliamentary legal cooperation. It was suggested that draft agreements should be prepared on an interparliamentary information service, on forming an a CIS economic court and on bringing the legislation of the Commonwealth members closer together.

All these measures seek closer coordination in and reconciliation of the activities of the supreme soviets of the CIS countries, the need for which was recognized by all participants in the Minsk meeting.

Resolution Passed on Pricing Policies

OW0302203592 Moscow INTERFAX in English 1641 GMT 3 Feb 92

[Transmitted via KYODO]

[Text] The Russian Federation Supreme Soviet Presidium and the government passed a resolution "On The Social Protection Of The Population And The Improvement Of Pricing Policies Of Individual Products." The resolution exempts state-owned catering facilities from added-value tax.

The ruling lowers the added-value tax on flour, pasta products, cereals, milk, yogurt and cooking oil to 15% for most consumers.

Russian Supreme Soviet deputy chairman Yuriy Voronin noted that the document had been agreed with Russian first vice premier Burbulis. Voronin said that the Anti-Monopoly State Committee would publish a list of enterprises that have a monopoly on more than 35% of the deliveries to the commodity market, or those that charge overly high prices.

Sergey Gorbachev, deputy economics and finance miniter, told the presidium that these measures and resolutions would cost the Russian budget 20 to 30 bn. [billion] rubles a year. He expressed hope that these measures would make it possible to "beat down the runaway prices." Gorbachev claimed that more price controls than those specified in the resolution would mean a departure from free pricing.

Debt to Population Tops 14 Billion Rubles

LD0202032792 Moscow Programma Radio Odin Network in Russian 1900 GMT 29 Jan 92

[Text] The Russian government's debt to the population has exceeded 14 billion. Delays in paying salaries, pensions and benefits occur practically throughout the entire Russian Federation. These facts were announced at today's session of the parliamentary operation group. In these conditions parliamentaries are taking measures in order to stabilize the situation. It has been decided to

speed up the issue of the 1,000-ruble banknote as well as to appeal to the collectives of those enterprises which are to a great degree responsible for deliveries of the raw materials needed for printing checks at the factories of the state directorate for issuing banknotes of the state bank.

Legislative measures are envisaged, too. For example, proposals for correcting the taxation policy in order to stimulate the production of consumer goods were made.

Cash 'Crisis' Means Wages May Not Be Paid

LD0202133692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0900 GMT 31 Jan 92

[From the "Novosti" newscast—read by announcer]

[Text] The problem of credit and finance policies is likely to remain the most important in the week ahead. As reported by Vedernikov, first deputy chairman of the Russian Supreme Soviet for budget, planning, taxation, and prices, the crisis in issuing cash has now reached such heights that it is quite possible that no wages will be paid in February in a number of regions.

In the opinion of economists, the solution is to introduce a Russian national currency. Many share the view that in introducing new money, it should be subject only to a simple exchange. There should be no confiscation.

Meanwhile, national currencies have already been introduced in Moldova and the Ukraine.

Further on Khasbulatov, Economists' Meeting

LD0402110492 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 1 Feb 92

[From the "Novosti" newscast]

[Text] A regular meeting took place today between Chairman of the Supreme Soviet Ruslan Khasbulatov and academics and well-known specialists in the field of economics and the national economy. [Moscow Mayak Radio Network in Russian at 1800 GMT on 1 February adds that the meeting included academicians Leonid Abalkin, Pavel Bunich, Yuriy Osipyan, and Stefan Sitaryan]

[Unidentified correspondent] The aim of today's conversation was a joint quest for a way out of the very severe situation in which we have all found ourselves. The first month of radical economic reform has passed, and it has become clear that the course being pursued by the government requires amendment. A deficit-free budget should not be seen as the priority of the reform, the priority should be people. This was the unanimous view of all those at the meeting. We have to proceed to the market, certainly, but not at the price of impoverishment, otherwise it will not be the market we will be coming to, but disaster.

The Supreme Soviet is to take immediate measures to stimulate the production of, primarily, food, consumer goods, and medicines. It is essential to urgently reduce taxes which are beyond the capacity of producers, to abandon diktat in the agrarian sector, and to speed up privatization, having chosen its most democratic and socially just form.

Regional Affairs

Tatar President Defines Republic's Priorities

OW0302143392 Moscow INTERFAX in English 1330 GMT 3 Feb 92

[Transmitted by KYODO]

[Text] President Mintimer Shaimiyev has defined the republic's priorities in the following way:

1. Tatarstan will be asserting its statehood exclusively in a civilized and constitutional way. All the disputable issues arising in relations with Russia will be tackled through talks.

2. Civil accord will be maintained by giving priority to the republic's values, above all to stability in ethnic relations during the transitional period.

3. The republic has chosen a soft way of switching over to market relations; prices will be regulated during the transitional period.

4. Every effort will be made to provide the population with social guarantees in the conditions of price liberalization.

5. At the current stage, priority will be given to agriculture.

6. The policy of price liberalization will be combined with privatization and de-monopolization of industry.

President Shaimiyev also said that given the disintegration of the Union and general uncertainty in the Commonwealth of Independent States, the main emphasis should be laid on strengthening the republic's economic and political independence.

Sobchak Criticizes Yeltsin's Economic Reforms

AU0302130492 Vienna Oesterreich Eins Radio Network in German 1100 GMT 3 Feb 92

[Bettina Reuter report on interview with St. Petersburg Mayor Anatoliy Sobchak in Davos, Switzerland; date not given—passages within quotation marks recorded]

[Text] The mayor of St. Petersburg, Anatoliy Sobchak, is not very satisfied with the current situation in the Community of Independent States [CIS]. According to Sobchak, the CIS only stands a chance if economic cooperation is ensured.

[Sobchak, in Russian with superimposed German translation] "If the republics do not reach agreement but start an economic war, the chances of every individual state will be reduced to a minimum. We now have a unique opportunity to adopt the market economy without large-scale unemployment. However, if the republics do not succeed in agreeing on economic policies, thousands of factories will close down, and unemployment will rise considerably."

The strongman within the CIS, Russian President Boris Yeltsin, has been criticized recently, even by his own friends. This applies particularly to his economic policy with the enormous price increases that resulted from the deregulation of prices. There are people who think that Yeltsin is too powerful. Does Sobchak believe that Yeltsin might end in the same way as Gorbachev?

[Sobchak] "No, his fate will be completely different. Yeltsin has been elected by the people, and Gorbachev was elected by parliament. This is why it was so easy to remove him from power."

Sobchak supported Yeltsin during the August coup. However, the former aide no longer approves of everything Yeltsin does.

[Sobchak] "Yeltsin's main mistake is that he does not pay enough attention to agricultural reform. The second mistake is his financial policy, which has made over 90 percent of the population poorer."

Is Boris Yeltsin accumulating too much power? Anatoliy Sobchak stressed that this is only natural. Everybody who is in power is trying to consolidate it.

[Sobchak] "Yeltsin's mistake was that he dissolved the parliament of the Union, thus dismissing the elected deputies before the expiration of the legislative period. In this way, he also destroyed the parliamentary group that supported him. This group that was initially led by Sakharov, Yeltsin, and others was a very wise and brilliant group. After the liquidation of this group, Yeltsin lost contacts and the support of the democratic forces. Now he can only rely on the apparatus. This leads to absolute power. At this point, there is no longer a political organization that supports him. The Democratic Movement that backed him is divided. A political leader who cannot rely on the support of a political party or a social movement cannot expect great successes."

PRAVDA Warns Against Reliance on European Aid

PM0402100792 Moscow PRAVDA in Russian 31 Jan 92 p 2

[Correspondent Nikolay Volynskiy report under the "From Scene of Events" rubric: "Europe Is Not a Milch Cow"]

[Text] St. Petersburg—Humanitarian aid from the EC countries has gone on sale in St. Petersburg. Some 200 tonnes of meat and 400 tonnes of butter have arrived. The free products will be sold for money at new prices—55 and 30 rubles per kilogram respectively.

But only in exchange for coupons. The proceeds are to be channeled into a social protection fund. The aid program for the city is designed to last three months.

Local newspapers published a list of the limited number of stores to which foreign products have been delivered. On learning of this, residents of St. Petersburg began forming lines 24 hours before they went on sale, noting their number in the line on the palm of their hand or on pieces of paper. When the doors of certain stores opened in Nevskiy and Krasnogvardeyskiy Rayons, a crush began, unprecedented for the city on the Neva. Women cried out, old women sobbed, someone's ribs cracked... The saddest thing was that people could not even count on ambulances—their work has been virtually paralyzed owing to the shortage of physicians, medicines, fuel, and vehicles.

However, in many other stores submissive and quiet residents of St. Petersburg behaved meekly. The "blockade syndrome" has evidently been passed on to them in their genes. Only now, at the time of the second blockade, people do not understand what they are suffering for.

The local authorities, particularly St. Petersburg Mayor A. Sobchak, are pinning definite hopes on aid from abroad. In our view, however, they should not do this. According to elementary calculations, each person will receive 40 grams of meat and 80 grams of butter from the present consignment of aid requiring payment (if it is not looted and sold in the market). Hence the conclusion—Europe is not a milch cow, and we should not hope that it will feed millions of our people.

Press Secretary Denies Sobchak To Resign

OW0402023592 Moscow INTERFAX in English 1843 GMT 3 Feb 92

[Transmitted by KYODO]

[Text] Natalia Vasilevskaya, press-secretary of St. Petersburg mayor, refuted rumors concerning possible resignation of Anatoliy Sobchak during the next few weeks. She told IF [INTERFAX] on Monday [3 February] that Sobchak is on a brief vacation in Switzerland where he is considering further actions to implement economic reforms in St. Petersburg region. He spoke in Davos.

One of the leaders of radical democrats Pyotr Filippov said Monday in an interview with St. Petersburg radio station that Sobchak may be ousted by presidential decree in February or will receive a vote of no-confidence from the city council.

On Monday some of the St. Petersburg council deputies told IF that they would demand Sobchak's explanations concerning his criticism of the Russian Government in Davos.

St. Petersburg Scientists Sought Abroad

LD0302233292 Moscow POSTFACTUM in English 2135 GMT 1 Feb 92

["Western Firms Invite Petersburg Nuclear Scientists To Work; from the "Politics" section]

[Text] St. Petersburg—Researchers from the Nuclear Physics Institute of Russian Federation Academy of Sciences receive beneficial invitation from Western companies. Vladimir Nazarenko, director of the Nuclear Physics Institute of Russian Academy of Sciences, also told PF [POSTFACTUM] that for the last 3 years several researchers from the institute went to have jobs in the U.S. and Israel. The number of offered contract jobs increased, and their durations are also growing. Contracts have been offered by companies from the U.S., Japan, and European countries. While researchers were earlier invited for several months, the young researchers who went over for the past half a year will have their jobs abroad for 1-2 years.

Vladimir Nazarenko believes that the basic point is the elimination of budget allocations for the construction of a reactor in Gatchina, St. Petersburg suburb, which was intended to be employed by researchers. Nazarenko thinks that many young researchers in physics and biology can start leaving abroad in early March 1992 if the finance is not going to be channeled very soon. [sentence as received]

The administration of the Khlopin Radium Institute in St. Petersburg tries to control the situation by creating beneficial conditions for researchers at the institute. In particular, they set up several JVs [joint ventures] where Finnish, Austrian and Brazilian companies take part. The JVs do business in the conversion and design new instruments and materials. Stanislav Fadeyev, deputy director of Radium Institute, told PF that around 1986 the institute's researchers had contract jobs with Libya, but at present there were no contracts with Middle East countries. For the past period, Radium Institute researchers had no contract jobs in the West and did not emigrate. Stanislav Fadeyev believes that the basic cause for which the researchers can possibly leave the institute is low salaries and reduced number of orders for research.

Edward Tropp, scientific secretary of St. Petersburg branch of Russian Academy of Sciences, told PF that the work of St. Petersburg nuclear scientists were of greatest interest for Middle East countries, but the St. Petersburg branch was not going to anything about it.

Moscow Official Views New Security Services

OW3101011592 Moscow INTERFAX in English 2022 GMT 30 Jan 92

["Nation and Society" article by Aleksandr Tsopov, chairman of Moscow City Council anti-criminality subcommission; transmitted via KYODO—first paragraph is introduction]

[Text] A decree issued in December by President Yeltsin setting up the ministry of security and internal affairs (MSIF) of the Russian Federation and the events that followed have drawn increased attention of the public opinion, the press and television to the agencies of the interior and of state security. Major of justice Aleksandr Tsopov, the chairman of the Moscow City Council's anti-criminality subcommission, held a press-conference in this connection at the Moscow City Council in end-December. Today he presents his views in this edition.

An attempt to merge the law-enforcement and state security bodies into a kind of a superstructure has aroused reasonable fears among Russian parliamentarians and numerous political activists for whom the acronym MSIF (MBVD in Russian) reminded the ill-famous NKVD (the People's Commissariat of Internal Affairs). The setting up of this monster was aimed at monopolizing the law-enforcement effort and played into the hands of the underworld and the corrupted nomenklatura. Those who are known to be responsible for the coup attempt in August 1991 but have kept low profile since then could now hide themselves behind the upcoming helter-skelter of personnel changes at the MSIF.

This inconsistent step taken by president Yeltsin—the unification of the police and the state security agencies—has been a legal prerequisite for a return to totalitarianism and dictatorship to become a real threat. And this is not only my personal opinion, it is shared by democratically minded officers of the law-enforcement bodies too.

The above-mentioned press-conference and a number of publications, television and radio broadcasts similar in their attitude which appeared from end-December to the beginning of January helped shape the public opinion and prepare it to the ensuing decision by the Constitution Court which proclaimed the decree unconstitutional and Mr. Yeltsin's decision to declare his own decree null and void.

The implementation of the decree, according to lieutenant-colonel Aleksandr Kichikhin, an expert of the Russian parliamentary commission investigating into the August coup attempt, could have brought about very serious consequences since one of the former KGB's major functions was to keep the doors of the government agencies closed for persons known for corruption and to exercise regular control over them, i.e., the KGB played a role of "a police inside police" in relation to the interior ministry.

The criminality rate is known to have climbed by two to three times in the recent years, and many crimes are left unregistered or cases are just not filed. Various fraudulent operations, the cheating of controlling bodies and the pumping of government funds into the "shadow economy" have caused a great damage to the state. These phenomena are brought about by loopholes in the current Russian legislation, however, the latter are not the only reason for the rising criminality rate. According to Mr. Kichikhin, it is connected with the state of affairs the law-enforcement agencies are finding themselves in.

Currently, he said at the press-conference, the police is unable to carry out its functions not only due to an aging legal foundation, but also because "in many instances it is merging with the underworld". A fact-sheet on the subject submitted to the Russian parliament states that "corruption in the law-enforcement agencies has reached huge proportions and is the major obstacle to fighting criminality". It has also been noted, citing numerous concrete cases, that of special concern is the trend of "setting up criminal gangs by law-enforcement officers themselves". Thus, two officers and a sergeant of the St. Petersburg internal affairs department who were members of a special group responsible for suppressing games of chance at public places have themselves set up a criminal group robbing people of money, including foreign currency, and jewelry.

Recently, a criminal lawsuit was filed against four policemen of the 4th internal affairs regiment subordinated to the Moscow City Council who were charged with extorting large sums of money.

It is worth noting that the police itself acknowledges that in some instances it has indeed merged with the criminal environment. The above mentioned fact-sheet said that, according to a survey conducted end-last year, 52% of respondents in one of Russian interior ministry departments acknowledged the existence of corrupted elements among policemen and its negative impact on their work.

The developments in the period from the drafting of the presidential decree to its annulment were influenced to a certain extent, according to Mr. Kichikhin, buy "a police lobby in the parliament". This phenomenon, he said, still poses a serious danger. To engage in law-making activity, a politician ought to leave civil service first, otherwise he is bound to think in terms of "the honor of his regiment" and not in terms of the well-being of society.

And one more point. Once the interior ministry and the state security agency were merged, representatives or mouthpieces of the underworld could have come to power. And then some forecasts of a sharp, virtually uncontrollable rise in criminality rate might have come true. This opinion was shared by numerous members of the Russian legislature.

On January 14, the Constitution Court of the Russian Federation passed a definitive and binding decision declaring the presidential decree on the setting up of the MSIF null and void. At the same time, the Court's chairman, Mr. Valeriy Zorkin, drew attention of statesmen, members of parliament and journalists to the fact that the decision taken by the Court was founded on legal aspects and not on political ones, as Mr. Sergey Shakhray, presidential adviser, insisted.

However, on the next day president Yeltsin signed a decree appointing Mr. Viktor Barannikov, former Soviet interior minister, and Mr. Victor Yerin, his erstwhile first deputy, heads of the Federal Security Ministry and the Interior Ministry respectively. Thus, observers say, using the by-hook-or-by-crook principle a certain degree of unification of the two ministries was achieved. Moreover, a number of experts have expressed their bewilderment as to why a "police person", even though he is undoubtedly loyal to the president, was appointed the federal security chief.

Experts have also noticed one of the decree's provisions giving Mr. Barannikov the right to move his people from the internal affairs system to the federal security bodies which actually means a merger of these agencies.

Moscow Commission Reports on Privatization

LD0102103692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 28 Jan 92

["Novosti" report by correspondent N. Chernyshova]

[Text] The main reason for holding the news conference by the standing commission for economic policy and entrepreneurship of the Moscow city soviet was the desire to report that, following the reshuffles in the higher echelons of power in the capital, during which 99 of the 457 deputies remained in the soviet—who were very constructive in their thinking, and progressive ministers interested in the market came into the Moscow government—the ground was laid for cooperation between representatives of executive power. True, what kind of power was not clarified.

Regarding privatization, the deputies stressed that it should be conducted openly and definitely via the Moscow soviet property fund. This fund should be in charge of the money recovered. True, what to do about Yeltsin's decree which places the funds from privatization at the disposal of the Moscow government remains unclear.

As far as the privatization of housing is concerned—a subject which worries Muscovites so much:

[A.S.Zhelkov, committee chairman] At the moment this question, as far as its not being completely solved is concerned, I would say, very regretfully, has come to a halt. But I still hope that this question will be solved in the very near future, and privatization of housing will proceed at full swing.

[Chernyshova] Information and documents presented by one of the deputies, who accused the mayor and vice-mayor of Moscow of intrigues regarding property in Oktyabrskiy Rayon, turned out to be curious. He claims that all privatization had been completed by September 1991, and now is being invested as capital in joint enterprises. The Moscow soviet deputies opposed the future taxation system. They believe that this is what happens as a result of pondering at cabinet meetings, whereas in real life it is merely a means of stifling growing entrepreneurship.

Well, the deputies are arguing, price liberalization rages on, and privatization remains at a standstill.

Chelyabinsk Governor Frees Food Prices

PM0302113592 Moscow SOVETSKAYA ROSSIYA in Russian 31 Jan 92 p 1

[L. Leonov report: "Ceiling Vanishes"]

[Text] Chelyabinsk—V. Solovyev, head of the Chelyabinsk Oblast Administration, has issued orders to "release" the prices of milk, kefir, curd cheese, and sugar, which are on the list of produce with fixed price ceilings. The Oblast Trade Union Federation believes that this decision contravenes the presidential decree and Russian Government resolutions and that the administration's explanation of these measures—financial and other difficulties—is unconvincing.

A statement by the Oblast Trade Union Federation Council demands the repeal of the administration head's orders. But the statement immediately adds that the Trade Union Federation is not inclined toward extreme measures of protest and pressure. So the administration head has no cause for concern.

CPSU 'Successor' Convenes Regional Conference

LD0302042292 Moscow TASS in English 0756 GMT 1 Feb 92

[By ITAR-TASS correspondent Vladimir Khodii]

[Text] Irkutsk February 1 (ITAR-TASS)—The second regional conference of the Socialist Party of the Working People—successor to the Communist Party of the Soviet Union (CPSU)—has opened in the city of Angarsk. The party's constituent conference was held one month and a half before.

The purpose of the second conference is to form the party's leading bodies—a regional committee, a secretariat, and an auditing commission—and to decide upon an action programme for the near future.

An exact number of supporters of the new party in the region is unknown. Nevertheless, among its activists are people's deputies of Russia and local councils, teachers, lawyers, workers, pensioners and a number of secretaries of the city and district committees of the former CPSU. The latter argue that they retain their status because they were elected to these posts and there were no new elections.

International Affairs

Minister: Full NATO Membership Not Sought

LD3001205192 Moscow Radio Moscow World Service in English 1900 GMT 30 Jan 92

[Text] Ukraine says it wants cooperation with NATO; however, it does not seek full-fledged membership of that organization. Ukrainian Foreign Minister Anatoliy Zlenko made a statement to that effect at a news conference in Prague, where he's taking part in a conference of the foreign ministers of the countries involved in the Conference on Security and Cooperation in Europe.

Ukraine and other member states of the newly founded Commonwealth of Independent Nations [as heard] have been granted full membership of the conference.

The Ukrainian foreign minister confirmed his country's intention to be neutral and non-nuclear.

Kravchuk Interviewed on Russian, German Ties

AU0402084992 Hamburg DER SPIEGEL in German 3 Feb 92 pp 155-163

[Interview with Ukrainian President Leonik Markarovich Kravchuk by Joerg R. Mettke, Fritjof Meyer, and Olaf Ihlau in Kiev; date not given: "Do Not Be Afraid of Us"]

[Text] [DER SPIEGEL] Mr. President, the Ukraine is the second largest state and the second largest nuclear power in Europe. When will your country be able to stand on its own feet?

[Kravchuk] What do you mean by nuclear power—we want to get rid of all nuclear warheads. Russia and other states want to help us with this. We are grateful. A total of 35 percent of tactical nuclear weapons have already been removed from our territory. By July all tactical nuclear weapons will have disappeared from the Ukraine, also those on the ships in the Black Sea, and all strategic nuclear weapons are to follow them by the end of 1994.

[DER SPIEGEL] You will then join the international nonproliferation treaty as a non-nuclear state?

[Kravchuk] Yes, this is the guideline for our Foreign Ministry, which is preparing our accession. At the United Nations we have already announced that the Ukraine wants to be a nuclear-free state, neutral and nonaligned.

[DER SPIEGEL] Will the Ukraine observe all the disarmament commitments that were signed by the former Soviet Union?

[Kravchuk] Yes, in line with the Vienna negotiations, which dealt with conventional weapons. We do not have any chemical or bacteriological weapons on our territory. The Ukraine will be an example of how a big, nuclear state manages to get rid of its nuclear weapons. Perhaps other states will follow our example.

[DER SPIEGEL] Your Kazakh colleague Nursultan Nazarbayev, however, who once made similar statements, has now made a turnabout and wants to keep his missiles for the time being. Does this not force you to reconsider?

[Kravchuk] Never. I will not listen to other presidents of the Commonwealth of Independent States [CIS] in this matter, because for us this is a basic, long-term policy. And I will exert pressure on my colleagues to let themselves be guided by the existing agreements and not to change their positions.

[DER SPIEGEL] We see only doubts all around.

[Kravchuk] Of course, the world watches this game with the bomb with concern. The former Soviet Union was a military state that instilled fear and terror in everyone. The states that have developed on its territory must pursue a completely different policy: They must be really peaceful, free of nuclear weapons, and they must stick to all international agreements. This is their duty.

[DER SPIEGEL] Would you have preferred an alliance of only the Slav states of the Commonwealth of 11 successor states?

[Kravchuk] This Commonwealth that has now developed should first of all demonstrate that it is viable. The old economic relations of the member states from the time of the USSR are still very close, they amount to about 20 percent of the entire turnover. This must not be simply destroyed; opposing each other might lead to a disaster for everyone involved. Forming new communities or alliances in addition now would be politically unreasonable.

[DER SPIEGEL] But at some time in the future you probably want to join the EC?

[Kravchuk] As an independent state the Ukraine can naturally also join other economic communities, including the EC; we do not rule this out. We do not hide our intentions.

[DER SPIEGEL] Why is the urge for independence so strong. Why do the Ukrainians want to leave the alliance with the Russians after centuries of cooperation?

[Kravchuk] The issue is not just getting away from Russia. Since we have agreed to establish independent states—the Ukraine, Belarus, and others—we must be consistent. The Ukraine is a big power. Historically, it has the right to its own state. Russia must not see the Ukraine as part of Russia....

[DER SPIEGEL] Aleksandr Solzhenitsyn, the bearer of tradition, calls your country "small Russia."

[Kravchuk] In Russia there are democratic forces that understand our claim to independence. However, there are also chauvinist forces that do not want to understand.

[DER SPIEGEL] Relevant forces?

[Kravchuk] I cannot follow the position of Anatoliy Sobchak, the mayor of St. Petersburg.

[DER SPIEGEL] He demands that the Ukraine return the Crimea to Russia.

[Kravchuk] I also do not understand the statements of many deputies of the Russian parliament. They keep talking about territorial claims; they do not accept the fact that the Crimea was handed over to the Ukraine in 1954.

[DER SPIEGEL] The chauvinists cannot be serious about having another enclave, beside Kaliningrad, without a land link with Russia?

[Kravchuk] Direct pressure is exerted on the Ukraine to renounce being an independent state. We are a peaceful country and we want equal relationships. However, many representatives of Russia are used to considering us as their property. This must change.

[DER SPIEGEL] However, many Russians are also afraid: While Russia is opening up to the West, the Ukraine is showing self-confidence, may perhaps attract a major part of western aid, and acts like a bar separating Russia from the West.

[Kravchuk] At the moment things are the other way round. Russia has stated that it is the sole legal successor for USSR property—also abroad. Now Russia wants to be the legal successor for the armed forces. As regards aid from abroad, the Ukraine will never hinder Russian contacts. However, where is this aid going to? What has happened to the Italian loan of about $6 billion? I do not know. The Ukraine has not seen one single dollar of it.

[DER SPIEGEL] Many payments come from Germany and are linked with the withdrawal of the former Soviet troops from eastern Germany.

[Kravchuk] Here, too, we do not know where all this is going to. The Ukraine does not want to harm Russia. We want equal friendship, just relations. For 70 years we created our wealth together in the former Union, now we must divide it justly.

[DER SPIEGEL] Such as giving the Black Sea Fleet, Russia's pride, to the Ukraine?

[Kravchuk] I do not claim the Baltic Fleet, the Arctic Fleet, or the Pacific Fleet, even though shipyards in the Ukraine built these ships and a large part of the steel for these ships was supplied by the Ukraine. Some people in Russia believe that everything is supposed to belong to them now.

[DER SPIEGEL] The Ukraine has subordinated all troops stationed in the country and wants to establish its own army. However, at a meeting in Moscow the officers' corps said that they "will not permit a division of the armed forces."

[Kravchuk] This officers' meeting was not a constitutional organ that may decide for all states. After this Moscow meeting 280,000 soldiers and offices have now sworn their oaths to the Ukraine.

[DER SPIEGEL] The officers' corps consists mainly of Russians, and the Russian side is making claims to the Crimea—parallels with the conflict in Yugoslavia are obvious. Are you not afraid of having to play Croatia's role?

[Kravchuk] The officers who are sworn in in our country swear loyalty to the Ukrainian people. These people also include 12 million Russians, who live in Kharkov and in Donetsk.

[DER SPIEGEL] This is precisely the point: 600,000 Serbs live in Croatia.

[Kravchuk] The Russians who live in the Ukraine are not discriminated against in any way. In our country 22 percent are Russians but about 50 percent of all schools are Russian-speaking. The Russians have their own schools, their own theaters, newspapers, television stations, and radio stations. We do not make any difference at all between Russians and Ukrainians. Our defense minister, the prosecutor general, and the prime minister are Russians. One can cite hundreds of examples. Russians mostly live better in our country than in many areas in Russia.

[DER SPIEGEL] Those prophets who predict an inevitable conflict between the Ukraine and Russia will not be right then?

[Kravchuk] These prophets are absolutely wrong. Look at the referendum of 1 December: Two-thirds of the soldiers who are stationed in our country voted for the independence of the Ukraine. In the Crimea, which is probably the most acute problem for us, more than 50 percent voted for an independent Ukraine. And on 17 March 1991 the people of the Ukraine voted for the Crimea to belong to the Ukraine.

[DER SPIEGEL] Thus, the Ukrainian leadership hardly has any leeway for compromise.

[Kravchuk] The people have decided their fate themselves. Certain forces are trying to blow up this problem artificially—in the mass media every day. But we remain calm and sensible.

[DER SPIEGEL] But such a campaign might also serve to prepare a violent conflict.

[Kravchuk] We think that we will be able to decide all issues at a round table. We proceed on the basis of the documents that have already been passed by the Commonwealth, of legal instrument that have developed in

the course of history, and of the real interests of the people who live in the Ukraine.

[DER SPIEGEL] Where would the threshold of pain be for the Ukraine, where it could not stay in the CIS any longer?

[Kravchuk] We will do everything so as not to reach this threshold. The voice of the Ukraine is influential enough to make this clear also to those who do not understand what is going on in the world now. We want to try to maintain the CIS by solving all problems—step by step—so that it becomes a stabilizing factor in Europe, a calm pole among the states.

[DER SPIEGEL] A CIS without the Ukraine would be down and out.

[Kravchuk] I think that is right. But on 21 December in Alma Ata we set down the principle that the CIS is not some kind of state entity but a cooperation community of independent states. Even though the member states may establish certain tasks and structures that are in everyone's interest, domestic and foreign policy is shaped by each state individually, and no one may interfere in the internal affairs of another state.

[DER SPIEGEL] Then the CIS is a paper tiger.

[Kravchuk] The CIS has not yet been able to become a real little tiger, because it is only one-and-a-half months old.

[DER SPIEGEL] The world has been surprised by the Ukraine's self-confidence; the same goes for Boris Yeltsin from Russia. When did you personally become aware of this strong Ukrainian striving for self-determination? After all, you were once one of the heads of the Ukrainian organization of the CPSU.

[Kravchuk] I will try to answer your question; I know why you ask it. I never was the head of the Communist Party. Until 1989 I was a simple department head in the Central Committee.

[DER SPIEGEL] First for propaganda and agitation, then for ideology.

[Kravchuk] This is not somebody who decides policy. I was Central Committee secretary for only a year and at a time when the democratization had already made much progress and the power of the party had been largely weakened. If it is said that I was the party ideologist, this is not true. Ideology was determined by the first secretary, by the members of the Politburo. Until 1989 I was not a Politburo member.

[DER SPIEGEL] As of 1989 you were a candidate member of the Politburo of the Ukrainian Communist Party.

[Kravchuk] I would like to complete my answer. I saw archive documents, according to which in 1933 more than 5 million people starved to death in the Ukraine. I learned that more than 2 million people died of reprisals in the Ukraine, were simply destroyed. I received other information that proved that constant and systematic genocide was committed in the Ukraine and that these people had suffered more than any others under Stalin's machinery and also after Stalin's time.

[DER SPIEGEL] All this you learned only when it was also in all the newspapers in your country?

[Kravchuk] In order to set down one's position in politics, a person must have objective information. When I saw how purposefully the policy of subordinating and oppressing the Ukraine was pursued, I was suddenly faced with the problem that first, these people had a right to their own state and, second, that every honest person, be he Ukrainian or Russian, must defend these people. This led me to the conclusion that I would make this the goal of the rest of my life.

[DER SPIEGEL] Did the Chernobyl nuclear disaster and the way Moscow dealt with the consequences of the accident not also make the Ukrainians' desire for independence irresistible?

[Kravchuk] I cannot say that anyone programmed a thing like Chernobyl. A similar disaster had happened earlier in the area of Sverdlovsk.

[DER SPIEGEL] But Moscow hushed up the accident and did not give enough aid to the victims.

[Kravchuk] The fact that these matters were paid so little attention was only the consequence of the general confusion and mess in the country, of the low technical standard, and the general superficiality.

[DER SPIEGEL] Nuclear physicist Vladimir Chernosenko claims that the nuclear mafia in Moscow forged information about Chernobyl and that there might be up to 1 million dead as a result of the accident.

[Kravchuk] The consequences were certainly worse than has been admitted so far. I agree with this to a certain extent. The leadership of the Ukraine also kept information secret. But, naturally, it did not have its own policy or its own attitude.

[DER SPIEGEL] If the accusations of this physicist concerning deliberate deception are correct, would it not then be an obvious step to put the former leaders, including Mikhail Gorbachev, on trial?

[Kravchuk] I am against such trials. We experienced such trials in the past. Now we should put an end to this. It is another matter to bring objective information to light. It will be very difficult to find those who are really guilty. Information was filtered. On its way upward it was turned into what the leaders wanted or were supposed to hear.

[DER SPIEGEL] All this will change now and the people are particularly interested in one fact: Why are the shops empty in the rich Ukraine?

[Kravchuk] We are only rich in opportunities. Production has declined by more than 10 percent. Then we have this unified currency area of the ruble and this means: What is produced in the Ukraine can be bought by citizens of other states. Since the situation is complicated in other regions and perhaps worse than in our country, many products are taken out of the Ukraine. In addition, there are speculations, corruption, and mafia-like organizations—all together, these are the reasons for the shortages.

[DER SPIEGEL] Will an independent Ukrainian currency reverse the course of decline?

[Kravchuk] I do not believe that the currency, our own money alone, would help immediately. Other conditions are also necessary. However, as a protection for our market, our state, and our economy it is the only means if one does not want to return to administrative methods—because these methods are useless, as experience has shown.

[DER SPIEGEL] Are you not afraid that the former Soviet Union will be turned into a gigantic field for experiments—in the competition between young scientists from Harvard or the London School of Economics?

[Kravchuk] I have already observed this. But one must change life in this region; it cannot continue as it has been. However, we do not have to listen to everyone.

[DER SPIEGEL] To whom are you listening?

[Kravchuk] First of all, I listen to everyone, to the Americans, the French, and the Germans. But then we try to do what we consider right—under these extremely complicated conditions of having to establish a state and, at the same time, completely restructuring economic and social life. This is really difficult. We are trying to find our own path, step by step, to let common sense rule, and to take particular characteristics into account.

[DER SPIEGEL] Economic reforms in the Ukraine are slower than in Russia.

[Kravchuk] Not everything is in our power, because we are linked with other regions, and also with Russia. Sometimes our activities seem illogical, because we have to react to actions—such as the extreme price hikes in Russia—which were not coordinated with us.

[DER SPIEGEL] What can the Germans do?

[Kravchuk] They are already an example of good relations and goodwill. With Germany in particular we have the most comprehensive economic relations. Companies such as Siemens and other internationally known enterprises have established direct contacts with us, and so did Deutsche Bank. We see sincere intentions: Germany wants to have a good and peaceful neighbor, and we want to become such a state. Do not be afraid of us, then we will not be afraid of the Germans, either.

[DER SPIEGEL] In the course of this century the Germans have twice tried to take the Ukraine by force when they aimed at becoming the world's biggest power.

[Kravchuk] There have been periods in history when Russians were afraid of Germans and Germans were afraid of Russians. We must overcome this psychological barrier and start cooperation that is honest and characterized by human relations. Then we will be good and honest neighbors.

[DER SPIEGEL] Before the war about 400,000 Germans lived in the Ukraine until Stalin had them deported in 1941, like the Volga Germans. Do you consider their return?

[Kravchuk] I have just signed a decree on the founding of a Ukrainian-German foundation. From the political and state point of view, we are now dealing intensively with the possibility that the Germans who once lived there return to the southern parts of the Ukraine.

[DER SPIEGEL] Oh, do you also have a contaminated former missile site that you could offer them, as Yeltsin did on the Volga?

[Kravchuk] (laughs) No, I am talking about areas near Kherson, Nikolayev, part of the area around Dnyepropetrovsk, and part of the Crimea. These are the best lands of the Ukraine. Germans lived there for a long time. We did not have any military test sites there.

[DER SPIEGEL] How many will find room there?

[Kravchuk] As many as we can accept under normal living conditions. We do not want to limit the number by stating a fixed amount.

[DER SPIEGEL] Despite a general flight from rural areas, native people also live there. How many Germans do you want to have—200,000 or 300,000?

[Kravchuk] My decree explains all the political, legal, and organizational measures.

[DER SPIEGEL] Then you have made more progress than your Russian colleague Yeltsin.

[Kravchuk] I am guided by my policy and not by Yeltsin's. I do not want to give him any advice, either. But I think that life ultimately puts everything in its place. This also goes for the rights of people, of national minorities.

[DER SPIEGEL] Do you speak with the experience of a persecuted people?

[Kravchuk] Today there are still individual people in the Russian leadership, individual deputies, for instance, who are trying to humiliate the Ukraine, to patronize it, and to consider it part of Russia.

However, if one proclaims equal rights for all and rehabilitates all peoples and states that the resettling was a violent action committed against these people, then we

must act accordingly. Policy must be subordinate to the laws and to general human norms.

[DER SPIEGEL] Leonid Makarovich, thank you for this interview.

President Begins German Visit 3 Feb

LD0302235992 Moscow TASS International Service in Russian 1845 GMT 3 Feb 92

[By correspondents Viktor Demidenko and Nikolay Kalintsev]

[Text] Bonn, 3 Feb (UKRINFORM-ITAR-TASS)—Ukraine President Leonid Kravchuk began a short visit here today. The president's plane flew from Davos [Switzerland] and landed in the military sector of Cologne/Bonn airport. The eminent guest was met by Heinrich Seeman, chief of protocol at the German Foreign Ministry, and Hennecke von Bassewitz, German consul general in Kiev. The official ceremony to welcome the head of the Ukrainian state will take place with military honors tomorrow before the Federal Chancellery.

Leonid Kravchuk is accompanied on his trip by Ukrainian Foreign Minister Anatoliy Zlenko, Valeriy Kravchenko, Ukrainian foreign economic relations minister, and by other officials.

Nonnuclear, Neutral Status Affirmed

LD0402095392 Moscow TASS in English 0817 GMT 4 Feb 92

[By UKRINFORM-ITAR-TASS correspondents Viktor Demidenko and Nikolay Kalintsev]

[Text] Bonn February 4 TASS—FRG President Richard von Weizsaecker had a meeting on Monday [3 February] evening with Leonid Kravchuk, head of the Ukrainian state, who arrived here from Davos for a brief official visit. The two presidents had an eye-to-eye talk, which was then continued in a broader format.

Speaking at a dinner given in honour of the Ukrainian president, Von Weizsaecker heartily greeted Leonid Kravchuk as the first freely elected president of independent Ukraine. "By uniting in a Commonwealth of Independent States," Von Weizsaecker said, "the republics have rid themselves of central dictate, have become free and independent. Ukraine plays an important and guiding role in this community due to its peculiarity, size and potential."

Kravchuk told reporters that he believed the meeting with the German president would contribute to the developent of mutually advantageous cooperation between the two states. "Relations between Germany and Ukraine," he said, "Have a solid foundation and prospects. They will serve the cause of peace and security in Europe, will positively influence the situation in the Commonwealth of Independent States, recently set up by the republics of the former Soviet Union."

"During the meeting," Kravchuk continued, "we devoted much attention to the creation of Ukrainian armed forces. They will be set up to defend our national interests and proceeding from the principle of reasonable sufficiency. Ukraine wants to be a nuclear-free neutral power. All tactical nuclear weapons will be withdrawn from its territory by the summer of 1992, and strategic armaments—by 1994. It was made clear that Ukraine has no territorial claims to any state. At the same time, it does not accept any such reforms in our country and are proceeding peacefully and without any inter-ethnical conflicts. We shall continue this policy in the future, too, "Kravchuk stressed.

Lvov Leader Says CSFR Claims 'Pointless'

LD0302231492 Prague Stanice Praha Radio Network in Czech 2130 GMT 3 Feb 92

[Text] All Czechoslovak claims to the Subcarpathian area of the Ukraine are pointless and unrealistic. This was said in an interview for CSTK by Vyacheslav Chornovil, chairman of the Council of the Lvov Region, a foremost Ukrainian opposition politician and a former dissident. He said that it would be damaging for Czechoslovakia, on the international scene, to become the initiator of a change of borders in Europe. It would be better if the problem were left unopened, and both sides concentrated instead on the best possible development of bilateral economic relations, Chornovil said.

Envoy Affirms No CSFR Territorial Claims

LD3101032292 Kiev Radio Kiev International Service in Ukrainian 2000 GMT 25 Jan 92

[Text] Czechoslovakia has no territorial claims on the Ukraine. Your republic has no analogous claims to ours. The borders must remain unviolated, Robert Harencar, Czechoslovak Consul General in Kiev has said. The question of separating the Transcarpathian Rus from the Ukraine and joining it to Czechoslovakia has been raised by some political activists in our country, especially by representatives of the Republican Party. I think, Robert Harencar said in a press interview, that the position of both countries regarding the involability of borders will be confirmed in the bilateral agreement which will be signed in February of this year.

Diplomatic Relations Established With Canada

LD3001221192 Kiev Radio Kiev in English 0100 GMT 28 Jan 92

[Text] On 27 January, Ukraine and Canada officially established diplomatic relations in full scope. The corresponding document was signed in Kiev by the foreign minister of our republic, Anatoliy Zlenko, and the head of the similar department in Canada, Barbara McDougall.

As of today the Consulate General of Canada in Kiev will take on the functions of that country's embassy in

Ukraine. The Canadian Consul General in Kiev, Nester Gayovskiy, has been appointed charge d'affaires of Canada in Ukraine.

National Affairs

Expert Views Economic, Financial Problems

AU0402105692 Duesseldorf HANDELSBLATT in German 4 Feb 92 p 9

[Bernd Ziesemer report: "Kiev Wants Banking System as in Germany"]

[Text] Kiev, 3 February—Only currency reforms in all republics and the speedy establishment of a monetary union may prevent the collapse of economic relations in the former Soviet empire. This view is advocated by Aleksandr Savchenko, new chief economic adviser of Ukrainian President Leonid Kravchuk, in an interview with HANDELSBLATT. Under the current conditions hyperinflation "as in Germany in 1923" is unavoidable, and the complete collapse of the Soviet ruble is programmed.

The 33-year-old doctor of economics, who studied at Harvard University for a year, was appointed Kravchuk's chief adviser only two weeks ago. At the same time, the Ukrainian is also deputy chairman of the National Bank in Kiev, which is the new central bank responsible for introducing an independent currency.

Savchenko says that he has opposed, from the very beginning, the amateurish introduction of money-like coupons. He speaks of a "big setback" for the Ukraine, which was caused mainly by the lack of economic competence of the current government under Prime Minister Vitold Fokin. The introduction of the new Ukrainian Grivna is useful only if the new currency achieves at least internal convertibility, the president's adviser thinks.

Savchenko says that the current monetary policy in the Commonwealth of Independent States [CIS] is "simply awful." In any normal country emission of loans and budget deficit are strictly controlled. In the former Soviet empire, however, there is a competition between the individual states about who produces higher loan emissions and higher budget deficits. "Economically, at the moment the situation is most favorable for those republics that produce the biggest state deficit," the Ukrainian economist summarizes the current absurd situation.

In his view, the rampant raising of loans by the banks can be stopped only by "dictatorial means." Since this is not possible, the Ukraine has only one way out, namely "closing our borders and introducing our own currency. There is no third way."

According to information obtained by Savchenko, all former Soviet republics, including Russia, are currently preparing new currencies: "No one wants to be last." Therefore, there is the real danger that trade in the former Soviet empire will largely collapse within a few months. If there are to be only barter deals and clearing among the states, the trade volume will probably decrease by 70 percent, as experiences in Eastern Europe show.

Therefore, the Ukrainian National Bank is strongly advocating the establishment of a monetary union, its deputy chairman says. Corresponding proposals, which were discussed with western central banks, have already been sent to Russia.

Savchenko wants to shape the monetary union in line with the example of post-war Europe. Not only the 15 former Soviet republics but also Eastern European states, such as Poland, could participate in the mechanisms. In the initial period only a small part of trade would have to be conducted in hard currencies, later on this proportion would rise constantly within the monetary union. Savchenko thinks that in this way conditions for the external convertibility of the currencies could be established in as little as five to six years. The preconditions for the functioning of this mechanism are, however, the political will of all parties involved and a minimum of discipline.

Savchenko himself is skeptical whether these two preconditions can be fulfilled in the CIS within the next few months. The economic adviser says that the most important task of the Ukraine is the establishment of a functioning banking and financial system. Savchenko has suggested to President Kravchuk that he orient himself completely toward "Germany's example." Ludwig Erhard's currency reform, the policy of the Bundesbank, and the establishment of the German banking system could be used as a guideline for the Ukraine, despite many differences.

Savchenko hopes for the closest possible cooperation with European neighboring countries, in particular with Germany, in developing the Ukrainian financial system. Even if the goal seems to be very far away today, the Ukraine must already "orient itself toward the rules of the game that will be valid in the united Europe in 1998." The second-largest successor state of the Soviet Union will orient itself toward the West, together with the Baltic states, Savchenko thinks. Long-term goals are accession to the EC and to the European Monetary Union. In contrast, other parts of the former Soviet empire will rather turn toward the east. For Russia the Ukrainian president's adviser does not rule out somber scenarios, such as "a complete collapse or a neo-Bolshevist dictatorship." Any attempt to keep the former Soviet republics together is doomed to fail. Savchenko can imagine a new unification—as in Western Europe—in 15 to 20 years at the earliest. In his view, the CIS is only a transitional thing: "There will not be any political agreement," Savchenko says with resignation, "at the moment they are all just trying to cheat each other."

Gross National Product Decreases by 10%

LD0402100392 Moscow TASS in English 1733 GMT 3 Feb 92

[By UKRINFORM-TASS correspondent Valentin Vernodubenko]

[Text] Kiev February 3 TASS—Production is declining as the cost of living is going up, according to data produced by the Ukrainian republic's Ministry for Statistics on the social and economic situation in Ukraine. The gross national product decreased by 10 per cent, the national income dropped by 11 per cent last year and public labour productivity fell by nearly 10 per cent. The republican budget deficit was 39.5 billion rubles, which together with outstanding bank loans reached 48.5 billion rubles.

The total volume of production of manufactured goods in 1991 decreased by 4.5 per cent as compared with 1990. The production of 118 industrial items lowered, which accounts for over 80 per cent of the republic's most important manufactured goods.

In 1991 the gross agricultural output also fell by 12 per cent. The gross grain harvest was 38.6 million tons [as received], 12.4 million tons less than in the previous year. The bulk purchases of potatos reduced by 40 per cent and vegetables by 29 per cent. Negative trends can also be seen in the demographic processes. In 1991 a process of natural reduction of the population began with the number of deaths exceeding the number of births by over 20,000. As of the start of 1992 the population of Ukraine totalled 52 million people according to preliminary figures.

Cabinet Decides To Establish State Treasury

LD3101040392 Kiev Radio Kiev International Service in Ukrainian 2000 GMT 27 Jan 92

[Text] The Cabinet of Ministers of Ukraine has decided to form a state treasury of the Ukraine. It is planned to buy some gold, platinum, silver, palladium, and precious stones from the the people of the republic. With this objective in mind, the purchase price for items made of precious metals will increase by 500 percent.

Hard Currency Exchange Rates for Coupons Noted

LD0102140692 Kiev Radio Kiev International Service in Ukrainian 2000 GMT 28 Jan 92

[Text] From now on coupons can be officially procured for hard currency. This decision has been made by the republic's government. The National Bank of the Ukraine has established the following exchange rate: The U.S. dollar will be 14 coupons [previous week's exchange rate was 10 coupons to one U.S. dollar]; a Canadian dollar will be 12 coupons; and one pound sterling will be 25 coupons. [passage indistinct] Such exchange can be carried out at any branch of the National Bank of the Ukraine.

Plan for New Currency Reported, Assessed

PM3001114992 Moscow IZVESTIYA in Russian 28 Jan 92 Morning Edition p 2

[Correspondent Sergey Tsikora report: "The Hryvna Will Replace the Coupon"]

[Text] Kiev—Ukrainian Supreme Soviet Chairman I. Plyushch has signed a decree announcing punishments for counterfeiting coupons. This is equated to producing counterfeit money.

A skilled forger working on his own will be punished by 3-10 years in prison together with confiscation of his property for issuing and selling counterfeit karbovanets coupons. If the counterfeiters form a group the punishments become more severe—10-15 years in prison.

True, as Ukrainian National Bank spokesman I. Tumanov stated, as yet not a single instance of counterfeiting karbovanets coupons has been recorded. Modern copying equipment has turned out to be incapable of copying a state bank note factory note containing metallic strips.

In the meantime very strange things are happening to the karbovanets coupons on the financial market. Foreigners are exchanging $1 for 10 coupons officially. But at the same exchange bureau no one can carry out the operation in reverse—and exchange 10 coupons for $1.

The Ukrainian National Bank is clearly departing from basing the exchange rate of the karbovanets coupon on the ruble. There is not a single official bureau where you can exchange rubles for coupons. People coming to Ukraine from the other former Union republics now go into food and industrial goods stores here perhaps only to satisfy their curiosity: To see what is being sold in their neighbors' country and for how much. Rubles are not being accepted for goods. True, you can buy coupons off people. Smart operators have already begun to appear outside department stores and food stores offering one karbovanets coupon for 5-7 rubles [R].

But the ruble area in the Ukraine is literally disappearing before our eyes. Even at the kolkhoz markets not every seller will agree to let his goods go for "monopoly" rubles alone. People are more and more frequently agreeing to pay for half of the purchase in rubles and the other half in karbovanets coupons. But more and more often coupons alone are being demanded.

V. Yermakov, the Ukrainian Cabinet of Ministers spokesman, announced at the latest news conference that from mid-February all wages in the republic will only be paid out in karbovanets coupons.

People in the Ukraine are not hiding the fact that the republic is preparing for the transition to its own money. The process of forming a treasury—their own State Repository for Precious Metals—is in train. The mass purchase of precious metals and stones from the population and enterprises is becoming one of the means used

to stock it up. Previously all this was sent off to Moscow, but now it remains in the Ukraine. Purchase prices are rising by a factor of five. As a rough guide you will be able to obtain a gram of high-grade gold for R1000. And here half the value of precious metal scrap will be paid out to the population in coupons.

One more interesting detail: Ukrainian National Bank spokesman I. Tumanov reported that the new the Ukrainian currency—the hryvna—is already being printed abroad. They should be ready to be put into circulation in the second half of the year in accordance with a republic Supreme Soviet decision.

Yaremenko Appointed Export-Import Bank Head

AU3101184792 Kiev URYADOVYY KURYER in Ukrainian No. 3 (49), Jan 92 p 2

[Text] In accordance with the Ukrainian presidential decree, Serhiy Oleksandrovych Yaremenko has been appointed head of the Ukrainian State Export-Import Bank.

Foreign Currency Bank Created in Donetsk

PM3001100292 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 25 Jan 92

[From the "Novosti" newscast: Report by V. Kondaurov]

[Text] The Ukraine is starting to receive large currency investments to boost its own economy. To this end the first Ukrainian international currency bank has been created in Donetsk.

[Kondaurov] Independent Ukraine has taken a real step bringing it closer to the international market economy. That is how specialists have assessed the creation in Donetsk of a large currency bank with the participation of Western capital. U.S. businessmen and European bankers believe that the Donbass may become a rapidly developing industrial region of the world but for that substantial investments are needed. After all the fixed capital of mines and plants is 40-70 percent worn out. The initiative to use Western capital on a mutually advantageous basis to modernize the Donbass was taken by major industrial enterprises—the "Azovstal" metallurgical combine, the Azov maritime steamship company, and the mine named for Zasyadko. Great interest in cooperation was displayed by the well known U.S. York corporation [as heard] and the big European bank Mies and Hall [as heard]. They have not only invested their capital in the first Ukrainian international currency bank, but have also undertaken to organize its work according to the standards in operation in the West and to bring it into the international financial system. The bank will service enterprises of all forms of ownership.

Economic Situation in Donetsk Oblast Viewed

LD0402092792

[Editorial Report] Moscow Mayak Radio Network in Russian at 0805 GMT on 1 February broadcasts a five-and-a-half-minute report by correspondent Gennadiy Kondaurov on the situation after a month of life with coupons in Donetsk.

Kondaurov begins by saying that it was indeed a difficult month for consumers. At the start of the month, people were each paid 200 coupons per person living in the Ukraine and later another 100 coupons were added. Prices remained the same. All goods, both industrial ones and foodstuffs, are sold only for coupons. There are no ruble cash transactions in the shops. People have started depositing their rubles in saving banks, where huge queues have formed.

Municipal services and rents for apartments are paid for the entire year in order to get rid of rubles. The National Bank of Ukraine and the Ministry of Finances have not made any announcement about what will be done with the rubles deposited in saving banks. The past month was a month of preparation for the issue of the Ukrainian currency, which will be in place in early summer, he says, at least that is what the leaders of the Ukraine state. But to this end, a whole range of measures has to be carried out which will strengthen this currency and make it convertible at once. As the Ukraine's bank staff say, the ruble should be forced out sometime in mid-February.

Kondaurov continues with the question: But what is happening now? The number of goods and foodstuffs is increasing in the shops, because there is simply nothing to buy them with. And now local authorities have made the decision to sell vegetables for rubles, because they perish when kept for too long. They have even started selling meat for rubles. So it is not all that simple to force out the ruble, he says.

And, of course, settlements with other republics are carried out in rubles. People from other republics are coming to the Ukraine to deposit large amounts of money—300,000, 500,000 each—in the Savings Bank, hoping that afterwards they will receive coupons, that is to say, the national currency, the hryvnya, for that money. But, this process is also not desirable for the Ukraine. And the question is being discussed of how to deal with such people. And all are asking themselves what will people get afterwards in hryvnyi for the rubles they have deposited. Everyone is very worried about this question, but so far there is no answer to it. In the town of Dzerzhinsk, a huge rally of all motor transport workers from all towns in Donetsk Oblast is now taking place.

Kondaurov continues by noting that a very complicated situation—an economic war—between Russia and Ukraine has arisen. The stage has probably already been reached where the next stage will be production grinding

to a halt, because there are no petroleum products and there is no gasoline. For instance, whereas the daily consumption of petrol is 2,000 tonnes, during the past 24 hours only 10 tonnes of petrol was left for the whole of Donetsk oblast. Motor transport workers will declare a pre-strike state. They demand that a supply of diesel fuel and gasoline be laid on, because they are unable to get the wages they were set to get for January because their automobiles are immobilized, people are not working, and there is nothing to pay money for. They also demand higher wages. Also, 50 percent of the transport fleet consists of old motor vehicles that must be written off. There are no spare parts, which also mainly come from enterprises in the Russian Federation. The situation is very serious. I do not know what decision will be made today. This meeting has only just started. But it shows that the entire motor transport of Donetsk Oblast may grind to a halt.

Data Bank Set Up To Record Servicemen's Oath

LD3001121492 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2100 GMT 29 Jan 1992

[Video report by correspondent Ye. Petrova; from the "Novosti" newscast]

[Text] A data bank has been set up in the Ukrainian Officers' Union, recording the statements of all servicemen wishing to serve in the Ukraine. As you know, outside the confines of the Republic there are 342,000 of them. An attempt is being made to reach an agreement between heads of member states of the Commonwealth of Independent States on a stage-by-stage exchange of officers between republics.

To date, in the Ukraine the oath has been taken by 72 percent of officers of the various arms of the services, including the strategic ones, and 600 officers of the Black Sea Fleet.

The Ministry of Defense and the Ukrainian Officers' Union are conducting talks with representatives of the armies of Western countries on holding an international congress in May and June in Kiev under the motto, "Ensure peace on earth." The aim is to set up a union of officers of the Eurasian continent.

Military Garrison Blocks Oath-Taking Ceremony

LD0402075192 Kiev Radio Kiev in English 0100 GMT 3 Feb 92

[Text] The command of the Zhitomir Military Garrison frustrated an attempt of one of the local units to take an oath of allegiance to the people of Ukraine. The officers sent from the headquarters of the garrison ordred the soldiers to leave the parade ground where the ceremony was to take place. The soldiers, however, refused to obey the officers but were forcibly driven to the barracks. (?Indignant) soldiers have formed a solidarity committee which insisted that the garrison command should stop arbitrariness.

Communist Workers Party Holds Congress

LD0202071892 Kiev Radio Kiev in English 2200 GMT 30 Jan 91

[Text] A Communist Workers Party of Ukraine has been set up in the republic. Its constituent congress has been held in Kharkiv. In the opinion of the party's leaders the new political organisation is supposed the interests of the working people of Ukraine.

More Timber Allocated To Cover Shortfall

LD0102202892 Kiev Radio Kiev Network in Ukrainian 0600 GMT 29 Jan 92

[Text] A report from the Ukrainian prime minister's press service:

In order to provide the Ukraine's coal mining industry with pit props, the Cabinet of Ministers is allocating 370,000 cubic meters of industrial timber from republican resources in 1992. The administrations of the Lvov and Pivdenno-Zakhidna Railways have been obliged to ensure immediate deliveries of rolling stock in order to transport timber for mines. As reported to the press service by Samoplavskyy, the Ukraine's minister for the timber industry, in the first five days alone, following the adoption of this government decision, 185 railcars loaded with timber were dispatched to miners by sectoral enterprises.

Diamond Deposits Reportedly Discovered

LD0402074492 Moscow Mayak Radio Network in Russian 0900 GMT 4 Feb 92

[Text] The Ukraine, the southern republic known as the all-Union bread basket will now, it seems, have diamonds as well. Two kimberlite pipes which bear this tsar of the minerals have been found. This was reported today by IZVESTIYA. At the moment, there are over 1600 kimberlite pipes in the world and 90 out of them bear diamonds. The major deposits are concentrated in South Africa and Yakutiya. Recently the Archangelsk prospectors were in luck. From the first samples they had found diamonds. This event has inspired the Azov geologists even more. If the diamonds have been discovered in the northern part of the Russian plate they could also be in its southern end, where Donetsk oblast is situated. Although the head of the expedition did not mention the exact location of the kimberlite deposit—he is bound not to reveal the secrets—the first boy we came across in the rayon center has not only given us the address where the diamonds are, but explained how best to get there. Well, perhaps we shall know this address when we read IZVESTIYA.

Kazakhstan

President Welcomes Russian Nuclear Proposal

LD3101185192 Alma-Ata Kazakh Radio Network in Kazakh 1500 GMT 31 Jan 92

[Text] The press service of the president of the Republic has distributed the following announcement:

People in Kazakhstan approve of the statement about Russia's policy of limiting and reducing weapons because it responds to their interests. The aspiration for the total elimination of nuclear weapons is one of the main directions of the policy of Kazakhstan's leadership. The statement by the Russian leadership contains the true position in essence regarding the step-by-step elimination of nuclear weapons on a parity basis. The further fate of this type of weapon cannot but worry the inhabitants of the Republic.

It has come about that Kazakhstan has become a nuclear power, but not by its own will. For decades, nuclear weapons were produced there as part of the USSR; test complexes and the corresponding infrastructure were created. This fact must be judged not as an aspiration of Kazakhstan to possess lethal weapons at all costs, but as an historic reality that must not be left out of the reckoning. People in Kazakhstan believe that the reduction of strategic weapons is an irreversible process. However, it must be part of a single defense concept for the Commonwealth—a form of military doctrine. Unfortunately, so far this does not exist; there are only the first outlines. The statement by the head of the Russian Federation can be considered one such outline. The progressive ideas contained in it require a number of clarifications and agreements to be reached with all member-states of the Commonwealth, and first and foremost with those possessing nuclear potential.

The leadership of Kazakhstan has more than once and at various levels declared its unswerving stand in relation to the obligations it has undertaken to join in every way the world process of nonproliferation, step-by-step reduction, and full elimination of nuclear weapons. The Republic realizes that it will only be able to become a full-fledged member of the world community as an independent state if it adheres to these humanitarian principles of its policy.

Nazarbayev on Russian Relations, Economic Reform

LD0402104892 Budapest MTI in English 0827 GMT 4 Feb 92

[Text] Budapest, February 4 (MTI)—"Kazakhstan's relation towards Russia is the best possible," said Nursultan Nazarbayev, the Kazakh president, in an interview with the national daily "NEPSZABADSAG." Nazarbayev was attending the world economic forum in Davos. The interview is carried in the daily's Tuesday [4 February] issue.

In answer to a question on the relation of Kazakhstan towards the other post-Soviet states, the president said: "I am now working to create a suitable relation between the members in the new Commonwealth. The conditions for this are given, we have set up a coordinating body, and I firmly believe that the Commonwealth will eventually operate smoothly and relations between the member states will be settled."

The next question referred to the nuclear weapons in Kazakhstan and on the future of these. "We have set down in a contract that these weapons will be placed under a unified command and a unified centre will have power over them." With respect to the future society of Kazakhstan, President Nazarbayev said: "We are progressing at full speed towards market economy and strive to create a multi-party, law-governed state that professes democratic values."

In answer to a question on Western aid to be provided to the Commonwealth of Independent States, Nazarbayev said that these plans are still under discussion only. "I see no concrete action so far. Incidentally, in my view genuine aid cannot be ensured to 300 million people. I believe the countries of the former Soviet Union should better rely on their own strength. Time is pressing, but the West is in no hurry with respect to granting loans. We could find ourselves in a dangerous situation unless we launch reforms."

Servicemen Urged To Continue CIS Service

OW0102003392 Moscow INTERFAX in English 1905 GMT 31 Jan 92

[Transmitted via KYODO]

[Text] On Friday [31 January], the government of Kazakhstan urged the Kazakh servicemen to continue their "conscientious service" in other states of the Commonwealth. The appeal confirms Alma-Ata's commitment to consolidation for tackling the economic problems jointly and for ensuring collective security.

The Kazakh leaders have pledged to protect the Kazakh servicemen's rights, dignity and honour. "Therefore, you should only use legal ways of solving your problems," says the appeal.

Support for Troops Reiterated

LD0302121392 Moscow Mayak Radio Network in Russian 1800 GMT 31 Jan 92

[Text] The Kazakhstan Government and the republican state committee on defense have issued an appeal to servicemen from Kazakhstan serving in the CIS [Commonwealth of Independent States] Armed Forces. It expresses concern about the exacerbation of the military-political situation, which endangers the unity of the Armed Forces, the collective security system, and the independence of the CIS states. In these circumstances, AZIYA-PRESS has reported, the republican leadership

has supported, and will continue to support, the preservation of the unified CIS Armed Forces.

Barred From Ethnic Conflicts

LD0302211692 Moscow TASS International Service in Russian 1244 GMT 3 Feb 92

[By KAZTAG correspondent Vladimir Akimov—TASS]

[Text] Alma-Ata, 3 Feb (KAZTAG-TASS)—The Supreme Soviet of Kazakhstan has barred "servicemen who are citizens of the Republic from being sent to participate in the resolution of interethnic conflicts." This was stated in a resolution by the parliament which has been published here.

It notes that the aggravation of interethnic conflicts on the territory of the former USSR and the use of personnel from the Armed Forces and border troops to eliminate or reduce confrontation are causing deaths and disabling injuries among Kazakh servicemen.

At the same time it is proposed that the president of Kazakhstan should "reach agreement on the matter of Kazakh fighters continuing to serve on the territory of Commonwealth states" and that the State Committee for Defense should "within a period of one month, recall all Kazakh fighters on permanent duty in military units and establishments stationed on the territory of states which are not members of the CIS [Commonwealth of Independent States]."

Iranian Official on Relations, Nuclear Weapons

LD3101225292 Tehran IRNA in English 1624 GMT 31 Jan 92

[Text] Moscow, Jan. 31, IRNA—A visiting senior Iranian official in Alma-Ata, Friday [31 January] dismissed as "sheer lies" the alleged Iranian purchase of nuclear weapons from Kazakhstan, saying [word indistinct] behind such reports was to mar expansion of Tehran-Alma-Ata ties.

Mahmud Vaezi, deputy foreign minister for Euro-American affairs arrived in Alma-Ata last Tuesday [28 January] to hold talks with Kazakh officials on issues of mutual interest and to open the Iranian Embassy, which was inaugurated Wednesday [29 January].

"The Islamic Republic of Iran is in no way after acquiring of nuclear weapons and these reports are sheer lies," he told a press conference.

"In my opinion, the reason for spreading such rumours is to block expansion of the Islamic Republic of Iran's sound relations with Kazakhstan and other newly-independent republics in the region at a time we are keen on broadening relations with these states."

Describing as "excellent" the prospect of Tehran-Alma-Ata relations, Vaezi noted that Iran was among the first countries to recognize Kazakhstan, and that due to the existence of "common historical and cultural backgrounds between the two countries", his visit has taken place with a view to further cement bilateral ties.

In related news, Vaezi met with Kazakhstan minister for foreign trade relations today to discuss economic and trade cooperation.

The two sides stressed on frequent exchange of delegations at all levels and signed an economic-trade cooperation protocol for setting up an Iran-Kazakhstan joint economic commission.

The protocol envisages cooperation in transaction of oil and oil derivatives, Iran's assistance in oil exploration, transportation of goods between the two countries's Caspian Sea ports and opening of an Iranian trade center in Alma-Ata to promote Iranian products.

Vaezi also inked a separate document on opening an Iranian bank branch in Kazakhstan.

Earlier on Thursday [30 January], the Iranian official met with the Kazakh minister of transportation who urged the Islamic republic to promote bilateral cooperation in land, sea and air transportation.

The two sides agreed to draft an agreement on transportation cooperation which is to be signed during the coming visit to Tehran of Kazakh Prime Minister Tershinkov.

The agreement calls for formation of a joint transport company, direct sea links between the two countries' Caspian ports and transit of Kazakh exports to third countries via Iran and its ports on the open seas.

The Kazakh minister emphasized the need for a grand railway network spanning the central, and spoke of its impacts on the economy of the Central Asian countries. He said its connection with Iran's railway network through Turkmenistan is bound to be "very fruitful".

U.S. Embassy Inaugurated; Ambassador Appointed

LD0402113292 Moscow TASS in English 1412 GMT 3 Feb 92

[By KAZTAG correspondent Uraz Serikbayev for ITAR-TASS]

[Text] Alma-Ata February 3—An American Embassy opened today in Alma-Ata, Kazakhstan. U.S. Charge d'Affaires Jackson MacDonald is appointed ambassador to the republic, inaugurating the first foreign diplomatic mission in the region.

Kyrgyzstan

About 10,000 Service Personnel To Return Home

OW0302224192 Moscow INTERFAX in English 1641 GMT 3 Feb 92

[Transmitted via KYODO]

[Text] Around 10,000 servicemen who refused to swear allegiance to national CIS armies, in particular to Ukraine, and military builders who are not under the Defense Ministry's jurisdiction would return to Kyrgyzstan. A special DOD [expansion unknown] group was established to arrange for them to serve with the republican troops.

The group is currently examining the strength of the troops stationed in Kyrgyzstan in which the refusniks are likely to serve out their tours of duty. A list of republican enterprises is being compiled at which the military builders can serve out their two-year stints as alternative service.

Special Unit To Monitor Military Shipments

OW0402001192 Moscow INTERFAX in English 1843 GMT 3 Feb 92

[Transmitted via KYODO]

[Text] A ruling of the Kyrgyz Cabinet of Ministers establishes a special Ministry of the Interior unit to monitor the shipment of assets from the republic. Its chief objective is to monitor the transportation of military equipment, weapons and other military property holdings and to protect the consumer market from the illicit shipment out of the republic of raw materials and agricultural produce. The unit chief Orozaliev Tininchbek said that more than 100 stationary and mobile posts had been established in three Kyrgyz regions and the capital. From January 13 to February 3 the unit seized several million of rubles worth [passage as received] of goods. The goods are sold through the regular distribution network, with 65% of the revenues to come to the republican budget, 20% for the needs of the unit and 15% for the development of the republican customs infrastructure.

South Korea To Play Role in Economic Policy

LD0102140192 Moscow Mayak Radio Network in Russian 2230 GMT 28 Jan 92

[Excerpts] In its foreign economic policy Kyrgyzstan will be looking directly to South Korea, stated President Askar Akayev in Bishkek on Monday [27 January] at a meeting with South Korean businessmen. In Akayev's view, a strong Korean diaspora resides in Kyrgyzstan, which is capable of being an intermediary in the development of relations between the two countries. At present, noted Akayev, the two countries have already laid the bases for the development of bilateral cooperation. [passage omitted]

During the conversation the Korean businessmen expressed readiness to continue cooperation in the spheres of precision and electronic machine-building.

Diplomatic Relations Established

LD0202233192 Moscow TASS in English 1417 GMT 31 Jan 92

[By ITAR-TASS correspondent Aleksandr Krasulin]

[Text] Moscow January 31 TASS—Kyrgyzstan and South Korea agreed on Friday [31 January] to establish diplomatic ties and exchange embassies, TASS learned at the Kyrgyz permanent mission in Moscow.

A corresponding document was signed today by Akmatbek Nanayev, the permanent Kyrgyz representative in Moscow, and Kong No-men [as received], the South Korean ambassador to Russia.

Ceremony Opens U.S. Embassy in Bishkek

OW0102184792 Moscow INTERFAX in English 1640 GMT 1 Feb 92

[Transmitted via KYODO]

[Text] The official ceremony of opening the U.S. Embassy in Kyrgyzstan took place in Bishkek Saturday [1 February]. Speaking at the ceremony, Kyrgyz President Askar Akayev described this fact as "tangible recognition of the republic's independence." The president pointed out that Kyrgyzstan praises such U.S. values as respect for private property, economic and political freedom, democracy, etc.

Turkmenia

President Niyazov Applies For UN Membership

LD0402105192 Moscow TASS in English 2246 GMT 3 Feb 92

[By ITAR-TASS correspondent Mikhail Kochetkov]

[Text] United Nations February 4 TASS—Turkmenistan President Saparmurat Niyazov sent a letter to U.N. Secretary-General Butrus Butrus Ghali on Monday [3 February], requesting U.N. membership for Turkmenistan.

The letter said 94 per cent of the republic's population voted for Turkmenistan's independence during a referendum on October 27, 1991.

The request has to be considered by the U.N. Security Council and approved by the U.N. General Assembly.

In January, the council recommended for U.N. membership Armenia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. The council is now considering a similar request by Moldova.

The republics are expected to be admitted to the United Nations at its 46th General Assembly at the end of February.

President Holds Talks With Military Personnel

LD0402053992 Moscow Radio Rossii Network in Russian 1200 GMT 1 Jan 92

[Text] The strength of the armed forces must be determined by sensible need and accord between the states of the Commonwealth. This was stated by Turkmenia's President Saparmurad Niyazov at a meeting in Ashkhabad with the command personnel of the armed forces stationed on Turkmenia's territory. He stressed that Turkmenia soon intends discussing defense questions with Russia.

After introducing the new Minister for Defense Affairs, Danatar Kopekov, Turkmenia's president spoke of the tasks of the Republic's Ministry for Defense matters, which is being set up anew. It is designed to coordinate the actions of the armed forces deployed on the territory of Turkmenia.

President Names Defense, Security Officials

LD0102131592 Moscow POSTFACTUM in English 2002 GMT 28 Jan 92

[From the "Military News" section]

[Text] On January 27, according to the decree of Saparmurat Niyazov the Defense Ministry was set up in Turkmenistan. Danatar Kopekov, former KGB leader of the republic, was appointed as defense minister. Begdzhan Niyazov, former chairman of the council for public order organs' activity coordination at the Turkmen president, was appointed as his deputy, whereas Annamurat Soltanov was appointed as republic's military commissar.

Another decree of the Turkmenistan's president has give the rank of general-lieutenant to the defense minister, whereas his deputies received the ranks of general-major. Local military observers note that none of representatives of the army commanders of the former Soviet Army units stationed on the 'republic' territory, was included in the leadership of the Defense Ministry.

On January 27, at the inauguration ceremony of the minister and his deputies, Niyazov named the setting up of the ministry as the first step on the road to creation of the independent state's own army . Earlier, the Turkmen leader more than once declared that setting up of the national defense ministry did not mean creation of its own army. Niyazov also said that all military units stationed on the republic' territory should be conscious that they defend security of all the members of the Commonwealth of Independent States, therefore, setting up of the military ministry in Turkmenistan did not contradict this task.

The headquarters of the army corps stationed on the republic' territory refused to comment on the setting up of setting up of the national defense ministry. As one of the headquarters officers, who preferred to be unnamed, told PF [POSTFACTUM], his colleagues and he know that the current defense minister of Turkmenistan, when he was the head of the local KGB, carried out tough anti-Russian personnel policy .

'Inflow' of Foreign Secret Service Expected

LD0402050892 Moscow POSTFACTUM in English 1933 GMT 31 Jan 92

[From the "Politics" section]

[Text] Work to elaborate a new concept for the defense of the republic's state interests was launched in the National Security Committee of Turkmenia. The concept is based on the principles of the Turkmen secret services' full independence and the priority of national interests in carrying out intelligence and counter-intelligence operations. The leaders of Turkmenia's national security committee proceed from the premise that the invigoration of foreign political and economic relations will bring about the inflow into the republic not only diplomats and businessmen but also representatives of secret services of various states and political organizations.

Foreign Economic Activity Rules Established

LD0202043992 Moscow TASS International Service in Russian 1406 GMT 29 Jan 92

[Text] Ashkhabad, 29 Jan (TASS)— President Saparmurat Niyazov has set out measures for the state regulation of foreign economic activity in Turkmenia. It creates opportunities for enterprises, associations, production cooperatives and other organizations, regardless of the form of ownership, to get involved in foreign economic activity, including intermediary and exchange operations. Goods and other stock transported across the state border of Turkmenia must be declared. This must be done by those involved in foreign economic relations either independently or on a contractual basis via transportation organizations. To provide balanced development of foreign economic links and implementation of coordinated foreign economic policy, a list of products has been ratified. In 1992 they can be exported provided there is a license from the Turkmen state committee for foreign economic links. These goods may include many types of fuel, natural resources and other commodities from the national wealth of the republic.

Oil Purchase Agreement Signed With Iran

LD0102130492 Moscow POSTFACTUM in English 2002 GMT 28 Jan 91

[From the "External Economic Relations" section]

Here is an excerpt from the statement made by the State Minister Grigor Areshyan:

[Areshyan] I am pleased that in the name of the Armenian Government and president I have been given the honor to greet this important event—that is, the inauguration of the U.S. Embassy in Armenia. It is highly symbolic that today, standing at the foot the biblical Ararat, where world civilization was born and the human race originated, we are today greeting the opening of the mission of the youngest and most progressive nation in the world.

[Avedisyan] The archbishop then spoke and in the name of Holy See Echmiadzin and the Armenian patriarch greeted the opening of the embassy, prayed for it, and requested that all present fulfill this [words indistinct]

The flag was hoisted while the U.S. national anthem was played. After the ceremony, Steven Mann held his first news conference.

Supreme Soviet Discusses CIS Meeting Results

NC0102190192 Yerevan Radio Yerevan Network in Armenian 1500 GMT 1 Feb 92

[Text] The Armenian Supreme Soviet Presidium met on 1 February under Ara Saakyan, secretary of the Supreme Soviet. Vice President and Prime Minister Gagik Arutyunyan presented the government's position and proposals regarding the package of economic reform bills to be put on the agenda of the fourth session of the Armenian Supreme Soviet.

After a detailed discussion the Presidium unanimously agreed on the agenda to be presented for confirmation at the forth session of the Supreme Soviet, which it agreed to convene on 10 February.

Ara Saakyan then delivered a report on the results of the meeting of CIS [Commonwealth of Independent States] Supreme Soviet deputy chairmen in Minsk on 24 January. The basic principles of cooperation which (? have almost been confirmed) in the relevant draft documents were singled out. Taking note of the report, the Presidium instructed the Supreme Soviet permanent commissions to examine these documents and present their observations.

Government Introduces Excise Tax on Goods

LD0102140492 Moscow Radio Rossii Network in Russian 2000 GMT 28 Jan 92

[Text] From 1 February an excise tax will be introduced on a number of goods in Armenia. Among them are alcoholic beverages, cigarettes, jewelry, carpets, furs, and crystal. The tax rates will range between 40 to 80 percent. The tax will be exacted from all enterprises and organizations that independently produce and market the above items, the SNARK News Agency reports.

Turkish Border Customs Post Begins Work 1 Mar

NC0302102092 Yerevan Radio Yerevan International Service in Arabic 1830 GMT 2 Feb 92

[Text] Our radio correspondent has learned that the customs post in the Turkish-Armenian border area of Maralik will begin operations on 1 March.

Azerbaijan

Turkish Paper Interviews Mutalibov

NC0102123092 Istanbul MILLIYET in Turkish 26 Jan 92 p 5

["Exclusive" interview with Azerbaijan President Ayaz Mutalibov by correspondent Ozcan Ercan in Ankara; date not given—ellipses as published]

[Excerpts] [passage omitted] [Ercan] Mr. President: Turkey and Azerbaijan have made efforts to improve relations since Azerbaijani independence. You have been saying that Azerbaijan seeks know-how from Turkey, not aid. Can you tell us how Turkey can become a model country for Azerbaijan?

[Mutalibov] I must admit that Turkey is much more advanced than Azerbaijan. Turkey has implemented economic reforms. Most important of all, however, is the fact that we welcome Turkey's policies. [passage omitted]

[Ercan] I have learned that you will attend the renowned meetings in Davos from 30 January to 4 February. Do you intend to select a Western country as a model for Azerbaijan? Why are you going to attend the Davos meetings?

[Mutalibov] I have no intention of selecting a model. I am going to Davos to introduce myself and give the participants of the meetings a chance to get to know me.

[Ercan] Do you believe, then, that the West does not know you well enough?

[Mutalibov] No. They do not know me well enough. Various things are being said about me.... I have been described as a radical communist. I have also been described as a fundamentalist who insists on establishing an Islamic order. Others say that I will insist on reestablishing communism, which is an outdated regime.... Those making these claims are being hostile to me.

[Ercan] Does this originate from Azerbaijan or from the outside world?

[Mutalibov] From the outside. From Europe and the United States. [passage omitted]

[Ercan] You have adopted the multiparty system. Which party supports the fundamentalists in Azerbaijan? Which party spearheads the demonstrations in your country?

Although Islam Karimov's National Democratic Party currently enjoys virtual monopoly in Uzbekistan's official structures, major steps have already been made towards a multi-party system.

Although the National Democratic Party (NDP) declared itself a successor of the former Soviet Communist Party on Uzbek territory, it has renounced its ideological heritage, pledging to return 70 per cent of party property to the people. The opposition is represented by the unregistered Birlik Party, which has some experience in political fighting and the Erk Party, which split from Birlik and has become the first opposition movement to be officially registered. Both want Uzbekistan to become independent and support economic reforms.

The NDP is by no means a "CPSU in a new guise", Aziz Nasyrov, second secretary of its Central Council, told ITAR-TASS. Its goals and methods differ greatly from Communist ideals, although many of its functionaries are former Communists. There were 700,000 Communist Party members in Uzbekistan, the NDP's membership is 350,000 people.

Erk leader Mohhamad Soleh thinks differently. The NDP is the same old Soviet Communist Party, Soleh believes. "The same people are in power, they hold their old posts, they had before the putsch and before 1988," he told ITAR-TASS. Power structures remain basically the same, many words have been said about democracy, but censorship still exists, he said, adding that radical democratic reforms have not been implemented in Uzbekistan. The president is trying to raise people's living standards, but it is impossible to launch economic reforms without opening society to democracy, he said.

The Erk party, registered in September 1991 currently has 40,000 members, mostly intellectuals and entrepreneurs, Soleh said.

Uzbekistan's people have little interest in politics and neither the NDP, nor the opposition enjoy huge following, Erkin Vakhidov, chairman of the parliament committee on glasnost, believes.

The power belongs to presidential appointees, rather than political parties, he said, adding that infighting between local clans is not as important now as it was thirty years ago.

Karimov's promise to register all parties will probably give the green light to the Islamic Revival Party. Until recently, however, authorities showed little support for clerical political organisations and spiritual leaders themselves shunned politics. Karimov has repeatedly stressed that Uzbekistan plans to go the Turkish way—and will create a civilised civil society.

Decision Establishes New 'Navoi' Oblast

LD0102140992 Moscow Mayak Radio Network in Russian 2130 GMT 28 Jan 92

[Text] Navoi Oblast has been established in Uzbekistan. A decision to this effect was made at the organizational session of the Bukhara and Samarkand oblast soviets which took place today.

Armenia

Ter-Petrosyan Sees Armenia as East-West Link

PM0302151292 Moscow IZVESTIYA in Russian 3 Feb 92 Morning Edition p 2

[Interview with Armenian President Levon Ter-Petrosyan by special correspondent Aleksandra Lugovskaya; date and place not given: "Independent Armenia Is a Bridge Between East and West, President Levon Ter-Petrosyan Believes"]

[Text] [Lugovskaya] Levon Akopovich, it does not take long to realize that life is incredibly hard at present for people in Armenia. Is this affecting the psychological state of the nation?

[Ter-Petrosyan] I would not say the Armenians are in despair. You have probably been able to see that for yourself. But if the blockade by Azerbaijan goes on—and the direct losses resulting from it in Armenia are already in excess of a billion rubles—we will indeed reach despair. We are currently engaged in intensive talks with Turkey and Iran in order to find alternative access to the outside world through them. We would very much like the situation in Georgia to stabilize because that is the most natural access to the outside world for us, but....

[Lugovskaya] Judging by reports in the Armenian mass media, the situation in Nagorno-Karabakh is entering a rather different political plane: The parliament of the newly formed Nagorno-Karabakh Republic records a state of war in the region, while back in December the Azerbaijani parliament annulled that autonomous formation in principle. How is the dialogue going on the Karabakh problem between Azerbaijan and Armenia?

[Ter-Petrosyan] Yes, in effect there is indeed a war on there, there are constant armed attacks on Armenian settlements with the aim of driving their inhabitants away to Armenia, and the total blockade of the region is now in its fourth year. I cannot say how it will all end, because we are not aware of any readiness for compromise on Azerbaijan's part. In 18 months of contacts with Mutalibov and other leaders of the republic, I have proposed all kinds of ways of resolving the problem, but in reply dialogue has been broken off, with no proposals of their own being put forward. If Azerbaijan had not annulled the autonomous formation in Nagorno-Karabakh but had entered the world community as an independent state, with a certain national-territorial division, that would probably have satisfied the people of Karabakh. But since their will was ignored, they were forced to declare their status themselves. They want the world to recognize this problem, they want a permanent presence of international observers there, and if possible UN peacekeeping forces. In that event Azerbaijan might recognize the hopelessness of the situation and start looking for a compromise.

[Lugovskaya] How is the development of Armenia's statehood going?

[Ter-Petrosyan] First and foremost this concerned the army: We presented the center with our terms—that no citizen of the republic would serve in the Soviet Army outside the republic's borders, and we have held to our position. Second: Armenia is the first and as yet the only one of the republics of the former USSR to have carried out land reform, handing over the land for private ownership with the right of inheritance and sale, and this is now helping us to survive the hard times more easily. There are reserve stocks, too, but the main thing is that a significant stratum of the Armenian people has provided itself with food supplies in full. Third: Within six months, we intend to carry out complete privatization of the spheres of service, trade, construction, and processing industry. We will not wait for anyone, although of course we would be pleased if the reforms were to be synchronized with reforms in the other states of the CIS [Commonwealth of Independent States].

[Lugovskaya] I remember well how after your election as chairman of the Armenian Supreme Soviet many people at the center were expecting "revolutionary actions" from you, but they never came. Why not?

[Ter-Petrosyan] In my actions I have proceeded from my understanding of the psychology and profound instincts of the Armenian people, conditioned by their tragic history. We have suffered so much that the most important thing for Armenians now is the desire for reliability. Our people will not tolerate adventurism.

[Lugovskaya] Armenia's membership of the CIS—was that a decision forced upon it, dictated by the state of the economy, or is it to its benefit?

[Ter-Petrosyan] I am an advocate of slow, fundamental processes, and I consider any drastic changes dangerous. Originally we chose a course of full political independence combined with participation in all constructive processes in the Union, or now on the territory of the former USSR. We have adhered firmly to this line, although the opposition in the republic has repeatedly tried to deflect us from it. This gives our people a sense of confidence and of being able to predict the future. I cannot, I have no right to take that feeling away from them. But also, objectively, you cannot destroy in a minute what was built up over centuries.

[Lugovskaya] Despite every effort to restrain it, the disintegration of the CIS joint armed forces is continuing. Is this a threat to Armenia's security?

[Ter-Petrosyan] We foresaw this turn of events and therefore accelerated the signing of a bilateral treaty with Russia, which stipulates that in the event of the disintegration of the present army, the Russian army will be present in Armenia on a treaty basis, possibly on the basis of the status of foreign military bases. The Russia of tomorrow, even against its will, will be forced to acknowledge that it is heir to the military-political interests of the former USSR. If anyone has any illusions on that score, this is nothing but a profound delusion.

[Text] As the vice-premier of Turkmenistan Ata Charyev, reported to PF [POSTFACTUM], in the course of the visit by a Turkmen government delegation to Iran 17-24 January, this year agreements on cooperation between Iran and Turkmenistan in the sphere of transport, in purchasing crude oil from Iran and sale of petroleum products and gas to it. Iran stated its preparedness to provide Turkmenistan with the right to use its ports on the Persian Gulf in order to develop its external economic relations and the railroad to ship goods in transit from Turkmenistan to Turkey, the Middle East countries. Iran has given permission to build some pipe-lines across its territory to export Turkmen gas to Turkey and Pakistan. As of 1992 Turkmenistan shall supply 3bn cubic meters of gas per annum to meet Iran's own needs. The volume of Irani oil to be exported to Turkmenistan has been set at 6.5m [metric] tons. Payments for it as well as for the return deliveries of petroleum products shall be made in hard currency at world prices. Atz Charyev also reported that Irani oil shall be processed at Krasnovodsk oil refinery. Turkmenia intends to process its own oil at a similar refinery in the town of Seidi where Tyumen oil is currently processed. However, Charyev stated, within this year Turkmenistan is likely to discontinue doing it, for the output of Russian oil-production is falling and the price for it is climbing.

Uzbekistan

Islamic Self-Government Body Defies Karimov

MK0102141192 Moscow NEZAVISIMAYA GAZETA in Russian 1 Feb 92 p 3

[Ravil Tazhetdin article under the "In Brief" rubric: "Uzbekistan"]

[Text] According to the Islamic Rebirth Party's information, the sociopolitical situation in Uzbekistan's Namangan Oblast has drastically deteriorated. The conflict that arose back in December 1991 between representatives of the Islamic self-government organ and President Karimov has entered a new phase.

The conflict was started by Karimov's coming to Namangan during the presidential election campaign last December. Representatives of the official clergy then expressed support on behalf of all Muslims for Karimov's candidacy for the Uzbek presidency. This generated a storm of indignation among the people and resulted in an ad hoc rally. The leaders of Muslim informal organizations and groupings within the structure of Namangan Oblast's self-government organ took control of the rally, set up alternative organs to the administration, and elected an amir (head) of the oblast self- government organ—who was 24-year old Tagirdzhon Yudashev. Last Sunday, 26 January, an extraordinary oblast soviet session, held in Namangan behind closed doors, elected as the official administration's hakkim (oblast head) Karimov's protege, Burgut Rafikaliyev. This news caused the sociopolitical situation to deteriorate still further. The same day a protest rally gathered and an ultimatum was issued calling for Hakkim Rafikaliyev's immediate resignation. By demand of the demonstrators, publication of newspapers reporting the session's work and the hakkim's election was suspended. The rally continued through the morning of 28 January. During this period the assistant chairman of the Uzbek Council of Ministers and the internal affairs minister had three meetings with Tagirdzhon Yudashev and Obitkhon Askarov, representatives of the Islamic self-government organ, asking for the rally to be suspended. The rally ended 28 January after agreement had been reached for Namangan Oblast's amir to meet with Uzbek President Karimov. The meeting is to take place in Tashkent 3 February.

Special Purpose Militia Troops Sent

LD0102131492 Moscow Russian Television Network in Russian 1100 GMT 1 Feb 92

[From the "Vesti" newscast—read by announcer]

[Text] The sociopolitical situation in Namangan oblast of Uzbekistan has become greatly exacerbated. INTERFAX reports that special purpose militia detachment units have begun to be sent in. Talks between the official authorities and the Islamic self- government on the situation in the oblast are due to start in Tashkent on 3 February. However, the Islamic Rebirth Party is worried that the administration of Uzbekistan will have recourse to non-diplomatic methods to resolve the conflict.

CSCE Foreign Ministers Accept Membership

OW0402004492 Moscow INTERFAX in English 1843 GMT 3 Feb 92

[Transmitted via KYODO]

[Text] Uzbekistan has become a CSCE member, reported the Uzbek Foreign Ministry on Monday [3 February]. The decision was taken at a sitting of the CSCE foreign ministers in Prague on January 30.

Prospects for Multiparty System Assessed

LD0202071992 Moscow TASS in English 1228 GMT 31 Jan 92

["Uzbekistan Eyes Multi-Party System—TASS Comment"—TASS headline]

[Text] Tashkent January 31 (TASS)—Uzbekistan President Islam Karimov's pledge to register all political parties, which followed student disturbances on January 16 and 17, will inevitably lead to changes in the political situation in this Central Asian republic.

[Lugovskaya] Do you share the view of certain leaders that Russia is manifesting "imperial manners" and a desire to take the place of the former center?

[Ter-Petrosyan] I see no basis for accusations of this kind. Russia, far from trying to adhere to imperial attitudes, has, on the contrary, been shaking them off more and more every day. A process of sharing out the inheritance is under way, and everyone wants to grab as much as he can. But that applies to everyone, not only Russia. The period of separation will end literally in three to six months, and a process of integration will begin. Eventually we will arrive at the creation of mechanisms which will harmonize relations among the CIS states.

[Lugovskaya] What will the independent state of Armenia look like? History offers a unique opportunity for choice.

[Ter-Petrosyan] As for the economy, simple imitation is fraught with the danger of our creating an artificial model. As yet, we have sketched out the alternatives in general outline. But we have a political concept: Armenia, which had been allotted the fate of "blind alley" in the former USSR, has a chance, in the conditions of independence, of breaking out and becoming a lively international crossroads—political, cultural, and even economic—between East and West, a bridgehead for all kinds of contacts. Until recently this role was played by Lebanon, a Christian-Muslim country which possessed a mighty financial and banking system. After terrible devastations, it has now lost that role. No one knows when it will be restored. Israel would like to assume this role but is hardly likely to succeed in view of its difficult relations with the Arab countries of the Near East. I look at this situation from a purely political point of view. But we are now pursuing a very active foreign policy in order to present our weighty arguments to the world and convince it of the possibility of Armenia's becoming a bridge between East and West.

[Lugovskaya] Convince me, please.

[Ter-Petrosyan] I am an orientalist and I know the Eastern psychology—there, they have always had a fear of falling under the thumb of the great northern neighbor. To have an intermediary between Russia and the Near East is now beneficial to the South, to Europe, and to Russia. On the other hand, a dangerous parting of the ways is in progress between the Muslim and Christian world, very dangerous, because religion is becoming a political factor. To have a neutral territory, if only to alleviate the confrontation, is beneficial both to the West and to the Near East, which does not seek self-isolation or the breaking of all contacts. It is here that I think we should find our place.

[Lugovskaya] You can be congratulated: Armenia has been admitted to the IMF. What prospects does this offer?

[Ter-Petrosyan] It is the breakthrough I was talking about. A large group of IMF experts is already working with us, and we hope it will soon present us with a detailed program for reorganizing our finances and banking system. Naturally, we expect more credits. Moreover we are working on the creation of a natural currency, which will be called the dram. We will be ready by the fall. But this is not an end in itself. If affairs in the CIS continue to follow this path, we will introduce our currency. We will not be the first, we will act according to the situation.

[Lugovskaya] What other events could you count among Armenia's successes in international affairs?

[Ter-Petrosyan] Armenia's new image could be seen as the greatest success: commitment to democratic principles and economic reforms.

U.S. Embassy Inaugurated in Yerevan 3 Feb

NC0302194492 Yerevan Radio Yerevan Network in Armenian 1500 GMT 3 Feb 92

[By Gevorg Avedisyan—recorded]

[Text] [Avedisyan] Barely five months have passed since Armenia became an independent state, yet 80 countries have already recognized our independence and 15 have established diplomatic relations. Today the U.S. Embassy was inaugurated in the capital of independent Armenia. This is an important event in the political life of the republic. Steven Mann, the accredited U.S. official, opened the ceremony held at Hrazdan Hotel.

In greeting those gathered, he noted that this is a happy and historic day, for the U.S. Embassy is now officially opening in Yerevan. Mr. Mann stressed that this is the first U.S. diplomatic mission in Yerevan and the first embassy in new independent Armenia. Though we are far from the United States, we feel at home. There is nothing strange in this, for a strong bond has always existed between our two nations. The contribution of Armenian-Americans to this bond has always been highly valued in our country. Mr. Mann then introduced embassy officials.

It was a pleasant surprise for the guests and officials when the Armenian Foreign Minister Raffi Ovanesyan, State Minister Grigor Areshyan, and Holy See Secretary Echmiadzin Archbishop Nerses Bozabalyan conveyed their greetings in English and Armenian.

Mr. Ovanesyan said that the ties between Armenia and the United States (?go way back). The Unites States was among the first to shelter the dispersed Armenians who [words indistinct] (?escaped) the Turkish yataghan. [words indistinct] he said diplomatic, political, economic, and (?cultural) ties will be established with other countries as well. He expressed the hope that today's ceremony marks the start of very close ties between Washington and Yerevan.

[Mutalibov] We do not have an Islamic party. We have 50 political parties but no Islamic party. The Azerbaijani people are a modern community. They drink wine and vodka.... Some of them may grow beards; some may wear jeans and go to places of entertainment. Our people are less conservative than the Turkish people.

[Ercan] Mr. President: You are trying to leave aside 70 years and establish a new state. You will adopt a new administrative system. Will secularism be the basis of the state you will establish as a result of your restructuring process?

[Mutalibov] Yes. It will be a democratic secular system. We shall establish a secular system which will provide for democracy. What is most important for us is democracy. We cannot think of anything else. We have yearned for democracy for a long time. Let me give you an example. We changed our parliament in 1991 and established a National Council. Half of the members of the National Council were selected from among the supporters of the administration and the other half from among the members of the opposition. That is to say, 25 members of the council were selected from among the supporters of the administration and the remaining 25 were selected from among the opposition parties. Up to that point, some 90 percent of the provincial deputies represented the administration. We have done everything possible to have this system accepted. I strongly insisted that we adopt the new system. I said that it has to be accepted. Had I not supported it, the new system would not have been adopted.

We Need an Army

[Ercan] I respect your wish to have democracy established in Azerbaijan; however, I will ask you to shed more light on the question of secularism. Will you abandon the idea of secularism if the majority of the Azerbaijani people oppose it?

[Mutalibov] No, we will definitely not abandon the secular system. Religion has its own place. That is something different. Of course, the people will believe in God, learn their religion, and know who the Prophet Muhammed is. They will also pray and go to mosque if they wish to. We will not, however, allow religion to influence our state affairs. Nor will we allow it to influence our armed forces. [passage omitted]

[Ercan] You do not have any experience in the management of an army. You will establish an army from scratch. Where will you get the officers you need to train your troops?

[Mutalibov] Naturally, we will set up an armed force, because it is essential for us to have an army. Do not think that we wish to have an army to be aggressive. We need an army to defend ourselves. We have asked Turkey to help us in that area. We have consulted with Turkey. We have informed your country that we need military instructors to train our troops. We will cooperate with Turkey on this matter. We have discussed this in detail and decided on the matter.

[Ercan] Do you mean to say that Turkey will establish your armed forces?

[Mutalibov] You can put it in that way if you like. Turkey will help train our armed forces. It will guide them.

[Ercan] How will you solve the problem of acquiring arms?

[Mutalibov] Azerbaijan has establishments which manufacture arms; however, they are not enough. We must modernize them, and we have already begun to do so. The work to be done in that area is, however, difficult....

[Ercan] How large an army do you plan to have?

[Mutalibov] It will not be a large force. [passage omitted]

[Ercan] Azerbaijan has a problem with Iran. Azerbaijani people live in northern Iran.... How do you assess the situation of your kin in northern Iran? Do you plan to unite with them?

[Mutalibov] That problem is like a bleeding wound. We have many relatives in northern Iran. It is natural that we remain in touch with them. We are moving to adopt the Latin alphabet; they are using the Arabic script. Of course, we want to unite with them, but this is a very difficult problem. We have to consider political matters related to this problem.

[Ercan] How will you maintain your relations with Armenia?

[Mutalibov] Time will show what will happen in that area.

[Ercan] What do you expect Turkey to do in connection with this problem?

[Mutalibov] Turkey can mediate between Azerbaijan and Armenia. I believe that Turkey is inclined to contact Armenia in that direction. [passage omitted]

Prime Minister: Need for 'Real Independence'

MK0102095092 Moscow NEZAVISIMAYA GAZETA in Russian 1 Feb 92 p 3

[Interview with Azerbaijan Prime Minister Gasan Gasanov by Aydyn Mekhtiyev; place and date not given: "'Real Independence Is Needed.' Azerbaijan Prime Minister Gasan Gasanov on Most Important Attributes of Independent State"]

[Text] [Mekhtiyev] Mr. Prime Minister, having declared independence, the Republic of Azerbaijan voiced its intention of taking part in the pan-European process and also of joining the IMF. The IMF leadership recently

said that the question of the former USSR republics' paying a share of the foreign debt will also be discussed.

[Gasanov] Azerbaijan's intention of joining international organizations, both government and intergovernmental, is quite natural; Azerbaijan is, after all, an independent state that has been officially recognized by roughly 80 percent of the world's countries. This process of recognition is continuing. The independent states set up in the former empire need help from the world's developed countries in restoring their devastated economy. Azerbaijan is also expecting to spur on its own economic reform by joining the IMF. Azerbaijan's position on the former USSR's foreign debt is directly linked with both historical preconditions, attributable to the fact that Azerbaijan always gave more than it took, and to the resolution of the question of its share of the all-Union property following the collapse of the USSR. This applies to both political, military, and economic structures. We have still not become full-fledged owners of the property on our territory.

[Mekhtiyev] As far as I know, Azerbaijan can count on investments and credits from both the West and East in implementing its economic program. In this context observers rate as highly successful the results of your recent visit to Arab countries.

[Gasanov] I have indeed paid a visit to Oman and Saudi Arabia. The Omani Government decided to give Azerbaijan credit of $200 million to modernize our oil extraction and oil refining industry.

In Riyadh we agreed to establish diplomatic relations with Saudi Arabia.

When the USSR existed, we applied to join the Middle East Economic Community, of which Iran, Turkey, and Pakistan are members. At present the question of our joining this community is in the final stage of discussion. I think it important that Azerbaijan has become a member of the Islamic Conference Organization. Turkey has put forward a concept for cooperation among the countries of the Black Sea littoral that makes provision for Azerbaijan's participation, and this could, in my view, play a positive role in our reforms. The idea of cooperation among the countries of the Caspian basin is also very attractive to us.

We also intend to cooperate with the EEC.

[Mekhtiyev] The main condition for your government's program to be put into effect is that stability be maintained. However, the Karabakh crisis is one of the main obstacles to Azerbaijan's economic growth, because it diverts considerable forces and resources. Do you think that Turkish and Iranian mediation could help resolve the painful problem?

[Gasanov] At the junction of East and West, Europe and Asia, for millennia Azerbaijan gravitated, in terms of its political position, toward both Europe and the Middle East region. After its so-called "voluntary" affiliation with Russia and then its so-called "voluntary" entry into the USSR, an iron curtain was set up between Azerbaijan and its direct neighbors in the Middle East. Any events in Azerbaijan were the USSR's internal affair. Now, in joining the world community, we are breaking this practice and, naturally, we are taking responsibility for stability within our own country with respect to both our own people and neighboring countries in direct proximity to what has become a conflict zone, fueled by others and not by us.

It is in this respect that Turkey and Iran could be effective for everyone by engaging in mediation.

[Mekhtiyev] Speaking at the Azerbaijan National Council, you voiced your concern over the process and conditions in which the Commonwealth of Independent States was formed.

[Gasanov] What was known in the past as our "sovereign" state for 70 years had only symbols: a coat of arms, a flag, and an anthem. We had imposed on us a life regulated by both the USSR Constitution and USSR laws and also by interpretations of this constitution and laws, while the Azerbaijan parliament's rights were formalized to an absurd degree. As you can see, in actual fact these were not the attributes of a sovereign state, as we were told to believe, but merely symbols of a "territorial subunit and of a unified, integral state." My concern now is due to the fact that Azerbaijan has still not fully acquired all the attributes of an independent state.

Joining any political alliances must be accompanied without fail by the acquisition of real independence. The most important factors include recognition from the world community, sovereign entry to the main international intergovernmental organizations, the existence of a national army, a state's ability to guard and control its own borders, and the existence of a national currency.

Further Reportage on Nagorno-Karabakh Violence

Mutalibov Discusses Conflict

NC0102131992 Paris AFP in English
1245 GMT 1 Feb 92

[By Sinan Fisek]

[Text] Davos, Switzerland, Feb 1 (AFP) - Azerbaijani President Ayaz Mutalibov said here Saturday [1 February] that he saw no end to the fighting in Nagorno-Karabakh unless Armenian "terrorists" and "mercenaries" are withdrawn from the region. Mutalibov, speaking on the sidelines of the World Economic Forum here, told AFP that the Azerbaijani forces launched their offensive Friday [31 January] following attacks by Armenians in the Armenian-dominated enclave.

According to both sides, around 40 people have been killed since Friday. The fighting, according to Mutalibov, was sparked by "strong recent Armenian attacks

and heavy pressure on our towns, which resulted in 10,000 Azeris being displaced from their homes." The Armenians' aim, he said, was to seize a dozen Azerbaijani towns to link the enclave with Armenia.

"What country would give up its own lands without a fight?" he said, accusing the Armenians of using "professional terrorists and mercenaries."

The Azerbaijani forces were maintaining "heavy fire" on the Armenians to break their siege of the mainly Azeri town of Shusha in Nagorno-Karabakh. "Shusha is under great threat," he said. "It is surrounded by Armenian forces that want to invade and hold it (as part of a plan) to create a bridge with Armenia." "We know that at least 15 convoys of arms and terrorists" were recently smuggled in from Armenia to Nagorno-Karabakh, he said.

Among those taken prisoner was a black man, the president said, adding: "Whoever saw a black Armenian? They are professional terrorists—but it is not their fault: They fight for whoever pays them the dollars."

He could not say how long the fighting was likely to last, but said: "Frankly, we see no other way, which is a pity, because we did not want war. We wanted to solve the problem through peaceful negotiations, but the Armenians did not want that," he said, accusing the Western media of misrepresenting—"under Armenian pressure"—the Azeris as aggressors.

"The only way to achieve peace is for the terrorists and mercenaries to be moved away," Mutalibov said. "Then we will sit down and make peace with the remaining Armenians, with whom we have always lived in peace."

"It is all a matter of land," Mutalibov said. "They have aims on our lands. Whoever heard of a state within a state? Fighting under these circumstances is natural."

Armenia's President Levon Ter-Petrosyan, also in Davos, could not immediately be reached for comment.

The two leaders are here, along with six other presidents of the Commonwealth of Independent States, to meet world government and business leaders in a series of meetings and seminars that will last until Tuesday [4 February].

Leader's Representative Assumes Duties

LD3101231592 Moscow Mayak Radio Network in Russian 1409 GMT 28 Jan 92

[Telephone report by correspondent Islam Kuliyev from Baku]

[Text] The representative of the president of Azerbaijan for provisional presidential rule in the regions of Nagorno-Karabakh Autonomous Oblast [NKAO] and the adjoining zone has begun carrying out his duties. Having studied the situation, he expressed a desire to bring his point of view on the events occurring there to the attention of the mass media of the Russian Federation and the other sovereign states.

Musa Mamedov was unable to disclose his statement himself; he was prevented by the worsened situation in Nagorno-Karabakh. The Azerbaijan president's press secretary Rasim Agayev met journalists on his behalf today. He told us that Armenian military units were conducting a wide-ranging armed operation in Karabakh and adjacent regions. Its aim is to drive the Azerbaijani population out of the former oblast, to intimidate them, and to establish by force a self-styled state on the territory of the sovereign Republic of Azerbaijan.

Moreover, with the assistance of mass media under Armenian influence, reports are being disseminated alleging military preprations by Azerbaijan and attacks on Armenian population centers. Actually, over the last three months about 10 Azerbaijani villages and the settlement of Kyarkidzhakhan have been burned down in Nagorno-Karabakh. The town of Khodzhaly and the settlements Karadagly, Amiranlar, [words indistinct], Mammedbeyli, and others are under siege. The ancient town of Shusha is coming under fire every day.

So now, dear listeners, judge for yourselves—whose rights are being violated in Karabakh? Azerbaijanis have become outcasts on their own soil, and the number of killed and wounded already runs to hundreds. More than 15,000 inhabitants of these population centers have become refugees during these winter days. Such are the results of the attacks by Armenian armed units sent to Karabakh from Yerevan. They possess flame-throwers, rocket launchers, and heavy artillery. Moreover, a regiment of the (?Kyanzhen) Division, stationed in Khankendi, formerly Stepanakert, is taking the most active part in combat operations against the Azerbaijani population in Karabakh. This is explained by the fact that the majority of its command is made up of persons of Armenian nationality.

In particular, the Azerbaijani presidential representative in Nagorno-Karabakh states: This undeclared war, which has been lauched on the territory of the Republic of Azerbaijan by Armenian separatists, is being persistently ignored by the press and political circles of the West. What's more, the separatists which have taken up position in Khankendi, the former Stepanakert, are receiving broad military, moral, and politial support. At the same time, the victim of the aggression, Azerbaijan, has been subjected to carefully organized information and political isolation.

Those who are encouraging separatism in Azerbaijan from outside should know of the immorality of their actions, because ordinary people, the native people of Karabakh, want only one thing: an end to this senseless war. In point of fact, the Armenian peasants living in Karabakh have become hostages to a policy that has been forced on them. Communication with people shows that they want peace and are ready to begin a conciliation process with the assistance of people's diplomacy.

For this purpose, it is necessary to stop sending saboteurs from Yerevan into Karabakh and to stop military aid to the terrorists. In Karabakh they are ready to settle the conflict at the negotiating table by peaceful, civilized means. The Azerbaijani side is ready for the most resolute political measures with a view to averting a further escalation in violence and armed confrontation, and is ready to continue the negotiating process begun in Zheleznovodsk. We are also ready to cooperate with international organizations dealing with breaches of human rights, and with the mass media, in everything that helps bring to public opinion the true situation in Nagorno-Karabakh.

We call on the legislators and governments of the member states of the CIS, the leaders of the EC and the countries of the Near and Middle East, the European Parliament, and the U.S. President to use their influence and do everything possible to stop the aggression and to restrain the separatists within the bounds of reason and political responsibility.

Chairman on UN Appeal

LD0102160892 Moscow Russian Television Network in Russian 1100 GMT 29 Jan 92

["Vesti" report by correspondent A. Abramyan]

[Text] With each day, the number of deaths in Nagorno-Karabakh rises. The concentrated shelling of Armenian villages is carried out with modern equipment, including hail [grad] missiles. This is stated in an appeal to the UN Secretary General and parliaments of the world published in the republic's papers today.

Baroness Cox, a member of the British parliament, and the international organization Christian Solidarity are calling for the prevention of the imminent threat of genocide against the Armenians of Nagorno-Karabakh.

[A. Mkrtchyan, Nagorno-Karabakh Supreme Soviet chairman] Under these circumstances, we see the proclamation of the Nagorno-Karabakh Republic as the only means of opposing this aggression and means of survival.

[Abramyan] Is the appeal to the world community an attempt to interationalize the conflict?

[Mkrtchyan] A civilization created hundreds and thousands of years ago is virtually on the verge of destruction there, and this civilization simply has to be protected and defended from the threat of death. There can be no question of any internationalization of the conflict.

'Guerrillas' Carry Out 'Armenization'

LD0302232592 Moscow Radio Rossii Network in Russian 2100 GMT 3 Feb 92

[Text] According to a report put out by the LUR Agency, the offensive of major forces of the Azerbaijani army on the eastern borders of the Nagorno-Karabakh Republic was again stopped by self-defense detachments on 3 February. The battles near the Armenian border villages in the Askeranskiy Rayon of Karabakh ceased at approximately 1500 on 3 February. The attackers withdrew to the town of Agdam, where the Azerbaijani army has its headquarters.

In the meantime, Rasim Agayev, a representative of the press service of the Azerbaijani president, stated that Armenian guerrillas are carrying out a forced Armenization of the population in Nagorno-Karabakh. According to him the rayon centers of Shusha and Khodzhaly are currently under siege, ringed by the guerrillas.

'Relative Calm' Reported

NC0302190192 Yerevan Radio Yerevan Network in Armenian 1630 GMT 3 Feb 92

[Text] The shelling of Nagorno-Karabakh's capital, almost all rayon centers, and Armenian settlements continued on 2 February. Ten people were injured in Stepanakert, Mardakert, and Shorch in Askeranskiy Rayon. One Stepanakert resident died.

Azerbaijanis from Mir-Bashirskiy Rayon started an artillery bombardment of Karachinar and Buzluk in Shaumyanovskiy Rayon at 1800. Over 50 shells have been fired on the villages, destroying residential and other buildings. The Armenian self-defense forces returned fire. The exchange of fire continued early 3 February. The Armenian side suffered no losses.

As was already reported, Azerbaijani units attacked Dzhanyatag and Talish in Mardakertskiy Rayon on 1 February. Now details have emerged about this attack: The Azerbaijani forces first opened fire from tanks, artillery, and armored cars; accompanied by six tanks they tried to occupy Dzhanyatag. The attack was repulsed. One self-defense fighter was killed. On the same day the Armenian freedom fighters inflicted a deserving counterstrike on the enemy, who had organized an attack with six armored cars on Talish. The Armenian side suffered no losses.

According to our information, relative calm was prevailing on the republic's territory on 3 February. The Azerbaijani side is probabaly regrouping for a new attack.

Soviet Army Post on Armenian Border Disarmed

LD0102152392 Moscow TASS International Service in Russian 1325 GMT 1 Feb 92

[By ITAR-TASS correspondent Viktor Voronyuk]

[Text] Tbilisi, 1 Feb (ITAR-TASS)—A Soviet [as received] army post not far from the settlement Kubatly on the Armenian-Azerbaijan border was disarmed by force yesterday. About 100 submachine guns, tens of grenade launchers, and armored personnel carriers were seized.

Georgia

Faction Critical of Handling of Armed Clashes

LD0302194492 Moscow Programma Radio Odin Network in Russian 1600 GMT 3 Feb 92

[Telephone report by IPRINDA news agency correspondent Zurab Dvali from Tbilisi—recorded]

[Text] Yesterday's incident, which resulted in casualties—I am referring to the armed clashes between Zviad Gamsakhurdia's supporters and the guards—could not fail to evoke varying assessments from the Republic's political forces. One result was a fairly critical statement from the Charter-91 parliamentary faction, which was put together by the core of the parliamentary opposition in the Supreme Soviet. It says, in part, that the armed clashes of 2 February, in their view, confirmed the fact that the new authorities, like the previous government, are toeing the totalitarian line. This fact, says the statement, forces the members of Charter-91 to become the opposition once again. In the faction's opinion, this pernicious conflict should be resolved through political methods. One of their first demands calls for the self-dissolution of the Military Council, the subordination of armed formations to the Ministry of Defense, and the holding of new parliamentary elections in the next few days.

Military Council member Jaba Ioseliani said in an interview with the IPRINDA correspondent that the meetings of the ex-president's supporters are no less than military operations in the city center. Moreover, he said, they employ fascist methods of combat, placing women and children at the front of these allegedly peaceful meetings. The harshest punishment awaits these provocateurs, noted Jaba Ioseliani.

Also today, 3 February, the Georgian People's Front held a session at which People's Front Chairman Nodar Natadzeoke spoke. Organizational matters were discussed and a number of criticisms were leveled at the provisional government. Nevertheless, the speakers were united in their opinion that the Georgian People's Front is promoting a stable situation in the Republic and supports new elections to the Supreme Soviet.

The situation in Tbilisi is relatively calm. Armed command subunits blocked the square in front of the railway station today, preventing Zviad Gamsakhurdia's supporters from gathering for their usual meeting. Rumors that an amnesty is in the offing are rife in the city. The crime situation in Tbilisi is, quite simply, critical. The IPRINDA correspondent managed to meet the republic's minister of justice, (Joni Khaturiani), who confirmed this information. He took refuge, however, in the laws of jurisprudence, and did not specify when the amnesty will take place or what category of prisoner it will affect. Let us hope that those covered by the amnesty really will be people who have not committed serious crimes, although the expediency of the decision seems highly dubious to me.

Warning Shots Disperse Tbilisi Rally

LD0302172792 Moscow TASS International Service in Russian 1617 GMT 3 Feb 92

[By ITAR-TASS correspondents Igor Gvritishvili and Albert Kochetkov]

[Text] Tbilisi, 3 February (TASS)—Only warning shots helped to disperse yet another rally staged today by supporters of former Georgian President Zviad Gamsakhurdia at the building of Tbilisi University.

Yesterday a similar rally held at Station Square ended tragically with two deaths.

According to the law on state of emergency, all rallies and demonstrations have been banned in the Georgian capital. "In the situation that has emerged," Jaba Ioseliani, a leader of the Military Council, believes, "one should toughen up the requirement to comply with this law, especially regarding those who are bent on escalating the violence."

Armed Provocateurs To Be 'Killed on the Spot'

OW0302195992 Moscow INTERFAX in English 1843 GMT 3 Feb 92

[Transmitted via KYODO]

[Text] Last night a group of supporters of the ousted Georgian president attacked a military airport in Senaki. According to the press-center of the republican Military Council, they seized several pistols and machine guns from the military. However, an hour later the commandant's office of the city in western Georgia apprehended and disarmed the attackers. The weapons were returned to the military.

The situation in western Georgia is stabilizing, said member of the Military Council Jaba Ioseliani in a press interview in Tbilisi.

"The local population requests national guards and Mkhedrioni units to stay in the region," said Ioseliani, to prevent Gamsakhurdia's supporters coming to power there. Addressing the situation in Tbilisi, he said that tension had been mounting during the last few days. Gamsakhurdia's supporters are mounting provocations, causing bloodshed. Ioseliani said that on Tuesday [4 February] Tbilisi will toughen law and order measures. "Armed provocateurs will be killed on the spot," said he in an interview to the press.

Abkhazia Situation Still Unstable, Tense

Authorities on Troop Presence

OW0402001492 Moscow INTERFAX in English 1641 GMT 3 Feb 92

[Transmitted via KYODO]

[Text] Georgian [as received] authorities said that if Georgia sent government's troops to the republic, this move would be viewed as the violation of the republican sovereignty and intervention into the autonomous republic's domestic affairs. This position was outlined by the Supreme Soviet of the autonomous republic at the Sunday [2 February] negotiations in the town of Zugdidi with the command of the Georgian governmental troops, reports the press- center of the Abkhaz popular forum Aidgylar. The government demanded permission for its troops to move to the Abkhaz territory to arrest Gamsakhurdia's supporters and deblock railroads and the airport. Abkhazia said that it would maintain order on its own and did not need outside intervention.

The Georgian governmental troops heading for Abkhazia has [as received] stopped at the border river of Ingur, report the press-center. The Georgian authorities assured Abkhazia that the national guards would stay put until February 4 at least.

Pro-Gamsakhurdia Rallies Held

AU0402093292 Tbilisi Radio Tbilisi Network in Georgian 0500 GMT 4 Feb 92

[Summary From Poor Reception] "Yesterday, our Sukhumi correspondent informed us that a many-thousand strong rally in support of Zviad Gamsakhurdia was held in the Abkhaz capital.

"Such rallies are being held every day in Gali, Gulripshi, and Gagra.

"As yet, there have not been any armed confrontations in Abkhazia, but the situation is very tense."

"The Abkhaz Government has expressed dissatisfaction at the fact that owing to the strikes, enterprises and institutions have halted work, there is no public transport, and studies have halted" at secondary schools "and higher educational establishments. The population lacks information from the mass media."

"In such conditions of political instability, the economic situation" is no better. "For several days now there have been no coupons for sugar, butter, and other necessities. The bread supply is almost exhausted. The so-called liberalization of prices has placed ordinary workers in a critical situation."

"A regular session of the Abkhaz Supreme Council is due to be held today."

Statement Issued on S. Ossetian Talks Delay

AU0302174092 Tbilisi Radio Tbilisi Network in Georgian 1400 GMT 3 Feb 92

[Statement issued by the Republic of Georgia Temporary Political Consultative Council Commission for a Peaceful Resolution to the Conflict in Tskhinvali Rayon, in Tbilisi on 2 February]

[Text] On 25 January 1992, on the initiative of the commission, a meeting was organized with representatives of the Ossetian side at which agreement was reached on the necessity of holding peaceful negotiations.

The Ossetian side was to propose a date and place for the start of the negotiations. Unfortunately, the Republic of Georgia Temporary Government has, as yet, not received any such proposals.

The commission believes that any delay in the start of the negotiations could have irreversible consequences, for which certain political forces will bear considerable responsibility.

The commission states that the following questions should be discussed at the initial stage of the negotiations:

1. A cease-fire;

2. The opening of roads to all settlements densely populated by Georgians and Ossetians and the control of key points on these roads by the militia;

3. International observers should be invited in order to promote the peaceful settlement of the conflict.

Troops Carry Out 'Policy of Disunification'

AU0302114092 Tbilisi Radio Tbilisi Network in Georgian 0500 3 Feb 92

[Summary] "As Merab [name indistinct], Gori's deputy military plenipotentiary has informed us, the situation is stable in Gori and in the rayon's villages."

"Regarding Tskhinvali, the (?former) Union Interior Ministry troops are again carrying out their policy of disunification. Military vehicles are moving around in the Georgian villages and are firing at the population for no reason at all. Results of the negotiations are not yet visible. In the opinion of Merab [name indistinct], Gori's deputy military plenipotentiary," only "the immediate removal of the interior troops" will lead to "stabilization in this region."

Report Notes Republican Developments

PM3101154192 Moscow ROSSIYSKAYA GAZETA in Russian 31 Jan 92 First Edition p 2

[Report by correspondent David Mdivani: "Peace Here Is Just A Dream"]

[Excerpt] [passage omitted] Just over a month ago most of the republic newspapers, with the exception of a clutch of opposition publications, called Eduard Shevardnadze nothing other than a "renegade" or "enemy of the people." Now the same publications talk about his humanity, high level of professionalism, and so forth.

The experience of Bolshevik conspiracy proved useful to Gamsakhurdia's immediate entourage and to him himself, giving rise to a lot of rumors about the ex-president's whereabouts. The spectrum of conjecture changes depending on your political affiliations. Some people are sure that their idol is building up his forces for a triumphal entry into the burned central part of Tbilisi. Others are inclined to the view that if his health had been normal he could not have resisted the great temptation to address his supporters in person.

To a certain extent the situation in Zugdidi has overshadowed the events being played out at the Abkhaz parliamentary session. Out of 63 deputies 32 took part in the session. The Georgian deputation and its supporters boycotted the session. In their opinion, the agenda included questions which had been prepared unilaterally and without consideration for the Georgian population. At any rate, two questions were adopted—"On the Relinquishment of the Abkhaz Council of Ministers' Powers to the Abkhaz Supreme Soviet" and "On the Recognition of the 'Universal Declaration of Human Rights.'"

Resolution Adopted on Privatizing Housing

LD0202145692 Moscow Mayak Radio Network in Russian 2330 GMT 29 Jan 92

[Text] A resolution on privatizing housing was adopted at a regular meeting of the Georgian Supreme Soviet today. According to the document, the whole of the housing stock is to be handed over to citizens of the republic free of charge, irrespective of the floorspace the owner of the apartment has. The Council of Ministers instructed appropriate departments to elaborate a mechanism in 10 days for transferring the housing to private ownership, after which those who wish can have their apartments as private property.

In the course of the meeting, decisions were also made to liberalize prices on foodstuffs and consumer goods, to increase charges for communication means, and on the measures drawn up to improve the supply of bread to the population of the republic.

Separate Economy, Finance Ministries Created

4U0302162692 Tbilisi Radio Tbilisi Network in Russian 1540 GMT 3 Feb 92

[Text] In order to form a basis for the strategy of socioeconomic development in the Republic of Georgia, to ensure systematic measures of economic reform, and to effectively carry out financial stabilization, the Cabinet of Ministers of the Republic of Georgia has abolished the Ministry of the Economy and Finance of the Republic of Georgia and the State Commission for Economic Reform at the Cabinet of Ministers of the republic. The Ministry of Economy of the Republic of Georgia and the Ministry of Finance of the Republic of Georgia have been created.

Resolution Approves Free Prices as of 1 Feb

OW0102021492 Moscow INTERFAX in English 1905 GMT 31 Jan 92

[Transmitted via KYODO]

[Excerpts] The Georgian Council of Ministers passes a resolution January 31 allowing all state-run enterprises, firms and cooperatives to sell their produce (except for some foodstuffs and consumer goods, including bread) at free prices starting from February 1. Price of these goods will rise but stay fixed. [passage omitted]

As IF's [INTERFAX] correspondent reports from Tbilisi, news about the bread price hikes quickly spread throughout the city. Long lines formed near bakeries, crowds of people surrounded bread-baking plants. As our correspondent learned at bread-baking plany No. 4, a loaf of white bread which previously cost 40 kopecks will be for sale at 5 rubles and 10 kopecks. A loaf of black bread which cost formerly 20 kopecks will cost now 2 rubles.

Monthly Compensation Envisaged

LD0302031592 Moscow TASS International Service in Russian 1135 GMt 31 Jan 92

[By ITAR-TASS correspondents Igor Grvitishvili and Albert Kochetkov]

[Text] Tbilisi, 31 Jan (ITAR-TASS)—The first train carrying three thousand tonnes of wheat arrived in Tbilisi today from the Port of Poti which for several weeks had been in the hands of armed detachments of Zviad Gamsakhurdia's supporters. During that time more than 40,000 tonnes of wheat had accumulated in Poti's grain stores, while bread factories in Tbilisi and the eastern part of the republic were on the verge of a standstill due to a lack of flour reserves.

The ITAR-TASS correspondents were also told at the Transcaucasian Railroad Directorate that the movement of freight and passenger trains in western Georgia to the border with Abkhazia, where Zviad Gamsakhurdia's supporters continue to block transportation lines which are vital to the republic, has been fully restored.

Starting tomorrow bread prices in Georgia are to go up by an average of ten times but the provisional government has envisaged a mechanism for the social protection of the population. Monthly compensation of up to 40 rubles will be paid to each resident of the republic. Moreover, the salaries of staff in budget organizations, benefits and pensions have been doubled.

Regulations Introduced

LD0402051992 Moscow Programma Radio Odin Network in Russian 1900 GMT 1 Feb 92

[Text] All goods for industrial and technical use, consumer goods and various services go on sale at free prices in Georgia as of today. To alleviate the harshness of the

transition to market relations, the Republic's Council of Ministers has introduced state regulations, the Republic's Council of Ministers has introduced state regulation of prices and tariffs for some types of socially important goods and services, i.e., bread, milk, baby food, meat, salt, sugar, matches, medicine, fuel, housing, transportation services, basic communications services and others.

Fuel Shortage Halts Flights From Tbilisi

LD0102065892 Moscow Radio Rossii Network in Russian 0400 GMT 1 Feb 92

[Text] Tbilisi Airport will stop all outward flights to all destinations beginning 1 February, RIA [RUSSIAN INFORMATION AGENCY] has been told by Iosif Normatsiya, aide to the Georgian chief of Civil Aviation. The reason is a lack of fuel. There will be only one departure today. It will be to Moscow, thanks to the Transcaucasus Military District, which supplied the fuel for it. Flights might be resumed on 5 February, if fuel arrives from Baku.

Politicians To Travel To Meet Heir to Throne

Restoration To Be Discussed

LD0202072692 Moscow Mayak Radio Network in Russian 0530 GMT 31 Jan 92

[Text] Representatives of the Democratic National Party and the Monarchic Party of Georgia are to make a trip to Spain next week to meet there with Georgiy Bagrationi, the heir to the Georgian throne, who has confirmed that this meeting is taking place on the initiative of Georgian politicians. Possibly one of the subjects dealt with at it will be the restoration of the monarchy in Georgia.

Awaits Citizenship

LD0402060292 Moscow TASS International Service in Russian 0720 GMT 3 Feb 92

[By ITAR-TASS correspondent Vladimir Shekhovtsov]

[Text] Madrid, 3 Feb (TASS)—The Spanish press has been giving extensive coverage to the chance that the monarchy might be restored in Georgia. It began with an interview in EL PAIS with Georgian National-Democratic Party Chairman G. Chanturia and Monarchist Party Chairman T. Zhorzholiani. The possibility was mentioned that the Georgian throne might be occupied not by Prince Georgiy Bagrationi, who lives in Spain, but by his 19-year-old elder son Irakliy. According to EL PAIS, both party leaders intend to go to Spain and take the heir to the throne back to Georgia.

An ITAR-TASS correspondent asked Georgiy Bagrationi to comment on these reports. The prince said he was absolutely perplexed by what had been printed. "Despite the fact that this situation affects the interests of the Georgian people", he said, "at present neither I nor my son Irakliy could consider returning to our homeland. Especially since there is no question of acceding to the throne, as has supposedly been proposed, until the political situation in Georgia is stable. Our presence there could only exacerbate the tension that, unfortunately, is now tearing the Georgian people apart. Therefore, no member of our family could accede to the throne until we receive an official invitation from a democratically-elected parliament upholding national sovereignty, and also from an elected government".

Georgiy Bagrationi continued: "In addition, it is purely logical that my family and I should not return to Georgia as foreigners. We were stripped of Georgian citizenship and consider that we cannot cross the Georgian border until such citizenship is officially restored by parliament".

Estonia

Defense Forces Rally in Support of Savisaar

LD0202031792 Tallinn Estonian Television Network in Estonian 1930 GMT 26 Jan 92

[Text] One of the larger popular gatherings has taken on Toompea in Tallinn. Estonian defense forces organized a parade today at 1300 in honor of Edgar Savisaar, the former prime minister and the government he led. Besides the selected Kodukaitse men and the police, a large number of other people also turned up. The exact figure is not known, but from what we could see there were about 2-3,000 people on the square. Even before the parade began banners were flying and shouts were heard in support of Edgar Savisaar. Attitudes were against the Supreme Council and the Estonian committee. Demands were made to disband both of them. Apart from that, support was voiced for Savisaar in the forthcoming presidential elections. After reviewing the company of honor, Edgar Savisaar made a speech in which he thanked the Estonian defense forces for the assistance and support demonstrated in the building of the Republic of Estonia.

[Begin Savisaar recording] In August 1991, you were one of the forces which withstood the possible overall catastrophe in eastern Europe. You must all be aware of this and remember it. At the moment, a grave battle is in progress in Estonia for the soul of the people. Many of those who were sitting in the bushes when the actual fighting took place have come out now and try to picture themselves as victors, even though they appeared on the battlefield after the end of the battle. I believe and I know that you will not be deluded because you know how the state of Estonia was created. You know this because you were her creators. Saying goodbye to you here today, I thank you for all you have done and wish you firmness of mind, a sense of duty and perseverence. Do persevere and then the state of Estonia will survive. Thank you. [end recording]

Supreme Council Deputy on Regrouping of Forces

LD0102162192 Tallinn Radio Tallinn Network in Estonian 1500 GMT 29 Jan 92

[Text] The resignation of Edgar Savisaar's government has resulted in a regrouping of political forces within the Estonian Supreme Council. This is the position held by Viktor Andreyev, deputy speaker of the Supreme Council. Speaking at a request from ETA about the current position of political forces, Viktor Andreyev noted that new deputy groups such as the Fatherland Association and the Rural Union have emerged. The Central Popular Faction led by Ivar Raig has disintegrated. In Viktor Andreyev's opinion, no regrouping of forces should influence the formation of a new cabinet. His belief is that the factions set up on the basis of the People's Front will not oppose Tiit Vahi's government as long as Savisaar's firm supporters form an opposition. This is normal, Viktor Andreyev emphasized.

The deputy speaker considers it possible that on 30 January the composition of the new government might be discussed at the Supreme Council. According to the law on the government, the candidate prime minister has the right to appear before the Supreme Council even if over half of the composition of the cabinet does not yet exist. Tiit Vahi must have the agreement of at least eight new ministers. If not, the endorsement of the government will be postponed for a week because next week the Supreme Council does not meet.

Parliament Sets 1992 Immigration Quotas

OW0102013092 Moscow BALTFAX in English 1930 GMT 31 Jan 92

[Transmitted via KYODO]

[Text] Estonia's Supreme Council has set the republic's immigration quota for the current year at 1546. The quota is broken down into subquotas for the republic's towns and districts.

Once a town or district exceeds its immigration subquota, it will have to pay into the state budget 100,000 rubles for each "extra" person who comes to live there.

The parliament decided that the residence permits issued to those servicemen of ex-Soviet armed forces whose permanent place of residence before they were drafted had been outside Estonia would lose legal force once they are transferred to reserve.

The director of the Migration Department, Mr Andres Kollist, said to a BALTFAX correspondent that this enactment does not apply to permanent residents of the republic who have a permanent residence permit. "Section 11 of the document covers those who will be arriving in Estonia when the enactment takes effect", Mr Kollist said.

Government Takes Control of Union Property

LD0102082192 Tallinn Radio Tallinn Network in Estonian 1800 GMT 23 Jan 92

[Excerpt] ETA reports that the Estonian Supreme Council adopted a resolution at today's session to recognize buildings, structures, arms, combat weaponry, equipment, and all other property on Estonia territory which is at the disposal of the former USSR as being the property of the Republic of Estonia. [passage omitted]

Trainloads of Military Hardware Detained

OW0202183292 Moscow BALTFAX in English 1645 GMT 2 Feb 92

[Transmitted via KYODO]

[Text] The local authorities in the Estonian city of Tartu have detained two trains carrying military materiel on January 31. This was learned by Baltfax from the city's transport police officer on duty, who said that the

hardware had been entrained in the town of Tapa and was to have been shipped out of Estonia. The trains were detained because there was no permission from the proper authorities.

It has been reported earlier that Estonia's parliament voted on January 23 to nationalise all the property of ex-Soviet armed forces, including military hardware, buildings, etc.

Miners Present Demands; Threaten Strike

LD3101115792 Tallinn Radio Tallinn Network in Estonian 1800 GMT 23 Jan 92

[Text] Miners at Kohtla-Jarve have presented four demands to the Estonian government, threatening a strike. Workers' meetings have been taking place in Kohtla-Jarve at Tammiku mine of the Estonian oil-shale state enterprise. The workers approved four main demands to the Estonian Government. This has been reported by the northeast Estonian REFAK Information Agency, via the BALTIC NEWS SERVICE.

First, it is demanded that wages be increased by five times compared with December 1991 and be paid on time. The second demand is to be supplied with foodstuffs and essential consumer goods directly at the mine. Third, better provision of materials, spare parts, and [word indistinct] is demanded. The last demand is to have wages recalculated once a month based on increasing inflation. If these demands are not met by 1 February, the miners reserve the right to call a strike.

Communique on Cooperation With Kuzbass Issued

LD0102224992 Tallinn Estonian Television Network in Estonian 1930 GMT 26 Jan 92

[Text] At a meeting which took place today in Novokuznetsk, representatives of the Estonian Barter-Deal Committee and the administration of the Kuzbass free economic zone signed a communique on trade and economic cooperation between Estonia and Kuzbass area in 1992. The document signed today will provide an opportunity for Estonian and Kuzbass enterprises to develop direct links without Moscow's mediation.

According to the communique, the parties plan to help each other in resolving problems arising on either side. This has been reported by the BALTIC NEWS SERVICE.

Lithuania

Communique on Yeltsin-Landsbergis Meeting

PM0302123792 Vilnius EKHO LITVY in Russian 21 Jan 92 p 1

["Joint Communique on the Meeting of the President of the Russian Federation and the Chairman of the Lithuanian Republic Supreme Council"]

[Text] In accordance with an accord reached earlier, a meeting took place 17 January 1992 in Moscow between Russian Federation President B. Yeltsin and Lithuanian Supreme Council Chairman V. Landsbergis.

The meeting took place in an atmosphere of frankness and constructive dialogue. During their conversation, the participants exchanged information on the political and economic processes in Russia and Lithuania and discussed a wide range of questions of mutual interest. They confirmed their firm intention to develop equitable, good-neighborly, and mutually beneficial relations between the Russian Federation and the Lithuanian Republic, in accordance with the 29 July 1991 Treaty on the Basic Principles of Interstate Relations Between the Russian Federation and the Lithuanian Republic.

Having noted with satisfaction that the Russian Federation Supreme Soviet had completed the process of ratifying this treaty on 17 January, both leaders arranged to carry out an exchange of the official ratification documents in Vilnius in the near future.

B.N. Yeltsin and V. Landsbergis stated their intention to urgently get down to full-scale direct bilateral negotiations, as a result of which Russian-Lithuanian agreements based on provisions of the 29 July 1991 treaty would be concluded. The importance of efforts to create the most favorable atmosphere for carrying out this work was emphasized here.

In this connection, both leaders exchanged information on questions of citizenship of the Russian Republic and the Lithuanian Republic, pointing out here that priority attention will be given to questions of safeguarding the rights and freedoms of one side's citizens on the territory of the other, as well as of protecting the rights of national minorities, envisaging among other things the creation of appropriate opportunities in the spheres of education, culture, and religion for Russian immigrants in Lithuania and for Lithuanians in the Russian Federation.

The meeting's participants agreed to work up an agreement on migration issues that stipulates the creation of a corresponding mechanism for the application of the agreement and to conduct talks on concluding a treaty on legal aid in civil, family, and criminal cases, and on a consular convention.

They also came to the conclusion that it is necessary to speed up examination of specific questions concerning cooperation in the areas of communications, air, rail, and motor vehicle traffic, ensuring goods transit operations, and utilizing sea ports and pipelines on their territory.

B.N. Yeltsin and V. Landsbergis discussed progress in carrying out the intergovernmental trade and economic agreement for 1992, signed 23 December 1991, and outlined additional measures to stimulate mutually beneficial economic cooperation between Russia and Lithuania.

The Lithuanian Republic Supreme Council chairman also raised the question of the return of KGB archives, which was met with understanding and received the Russian Federation president's assent.

The leaders of the two countries exchanged information on several questions concerning the presence on the territory of the Lithuanian Republic of units of the former USSR's Armed Forces, which are now defined as troops being withdrawn from Lithuania and coming under the Russian Federation's jurisdiction whose actions must not conflict with the Lithuanian Republic's state sovereignty and legislation. They expressed a readiness to facilitate their withdrawal on the basis of an accord to be reached in the course of one month. The sides will in every possible way facilitate an orderly troop withdrawal from the Lithuanian republic's territory—primarily from the capital, the city of Vilnius—while maintaining in the final stages of the troops' withdrawal the existing procedure of support for them on the basis of reciprocal settlements for agreed amounts and rates of compensation, as well as assistance in the resolution of social problems. An accord was reached on resolving the most acute problems which have arisen recently with regard to supplying military units on Lithuanian territory.

B.N. Yeltsin and V. Landsbergis confirmed their aspiration for fruitful cooperation on foreign policy issues, taking into consideration mutual interest in developing the all-European process, participating in the activities of existing institutions, in particular the Council of Europe, and forming new institutions for regional multilateral cooperation.

The meeting's participants agreed to exchange diplomatic representatives at ambassadorial level in the near future.

It was decided to maintain regular contacts at the highest level in order to strengthen good-neighborly relations and mutual trust between the Russian Federation and the Lithuanian Republic.

B.N. Yeltsin gratefully accepted V. Landsbergis's invitation to visit Lithuania in the near future.

Deputy: Good Relations With Russia 'Vital'

LD0102093492

[Editorial Report] Vilnius Radio Vilnius Network in Lithuanian at 1000 GMT on 21 January carries an interview with Lithuanian Supreme Council Deputy Vladimir Yermolenko by reporter Algis Usas. Yermolenko accompanied Vytautas Landsbergis to Moscow last week and was present at the meeting with Boris Yeltsin. Usas asks: "What is your view on further prospects for cooperation between Russia and Lithuania, including the final settlement of relations between the two states as sovereign states?"

Yermolenko reviews the events of the last two months, saying: "The Ukrainian referendum took place, followed by an official visit to the Ukraine by a delegation headed by Saudargas. Then Vytautas Landsbergis, chairman of the Supreme Council, met Gorbunovs, which was followed by the meeting with Shushkevich, Belorussian Republic chairman, as he can be called. There were also positive contacts with the representatives of Kaliningrad Oblast, in which Professor Matochkin participated. This sequence of such contacts and meetings in regulating the relations finally led to the additional meeting with the leadership of Russia. On the level of ministries or departments, these contacts had not been frozen, but, practically, these contacts were cooler. If we look at the issue of the withdrawal of the Armed Forces, it was in a state of stagnation. If we look at economic relations, we had difficulties with fuel, metal, and direct contacts with oblasts and enterprises." Yermolenko notes that the ratification of the treaty by the Russian parliament went smoothly: Only three deputies were against, 11 deputies abstained, and 144 voted in favor. He says that at this point it became necessary to determine "where we were at the moment in the sphere of economic and diplomatic relations, especially concerning the issue of the Armed Forces. As you know, for the first time we managed to define the status of the troops as the withdrawing Armed Forces."

Yermolenko adds: "At last, after the agreement of the three leaders creating the Commonwealth of Independent States, we learned whose armed forces these were. The Ukraine said it was not theirs, Belarus of course said it was not theirs, so whose was it? Only on 17 January with the ratification and the meeting of the officers, which was broadcast both on television and radio, did it became clear that the troops on our territory are subordinate to the Russian authorities. Then the round of talks started between Vytautas Landsbergis and Boris Yeltsin."

Yermolenko says that now diplomatic relations with Russia should be established as soon as possible. He says that "we should not expect sudden steps to be taken by the Russian Government in the withdrawal of the troops." Giving his point of view on why the solution to this issue has been dragged out, Yermolenko says that, looking back over the events that took place after the August putch, "a great deal of reforms have been carried out since then in the control system, which, no doubt, consumed a lot of time." Then international recognition and other problems somehow overshadowed such important issues, including the problems related to Kaliningrad Oblast.

Yermolenko concludes by noting that "good relations with Russia are of vital importance to us."

Vagnorius Sends Aid Proposals to Kohl, Others

LD0202055492 Vilnius Radio Vilnius Network in Lithuanian 2000 GMt 30 Jan 92

[Text] The Lithuanian Government information bureau reports that Lithuanian Prime Minister Gediminas Vagnorius today dispatched letters to German Chancellor

Helmut Kohl; UK Prime Minister John Major; Canadian Prime Minister Brian Mulroney; the honorary chairman of the G-7 Council, Takeshita; and EC President Jacques Delors. It is proposed in the letters that the issues of aid to Lithuania should be examined not only according to the program of the Group of 24 but also according to the G-7 program.

Landsbergis, Burbulis Note Supply Disruption

LD0102174592 Vilnius Radio Vilnius Network in Lithuanian 1100 GMT 29 Jan 92

[Text] The Information Office at the Lithuanian Supreme Council reports that on 27 and 28 January, Vytautas Landsbergis, chairman of the Lithuanian Supreme Council, talked to Burbulis, deputy prime minister of the Russian Federation, concerning the disruption of primary supplies, especially energy supplies, to Lithuania. The Russian deputy prime minister gave assurances that the intergovernmental agreement dated 23 December 1991 and the agreement of the heads of the states dated 17 January 1992 will be observed and promised to investigate the reasons for the misunderstanding. It has been agreed to hold a meeting of the heads of Russian and Lithuanian Governments in order to discuss these issues.

Vagnorius Concerned Over Russian Deliveries

LD0102154492 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 29 Jan 92

[Text] Prime Minister Gediminas Vagnorius has sent a telegram to Yegor Gaydar, deputy chairman of the government of the Russian Federation, in which concern is voiced about obstacles to the implementation of the interstate economic agreement for 1992.

Attempts made by officials of some economic departments in Russia to revise the conditions and the volume of the commodity exchange defined by the agreement could cause a chain reaction in violating the agreement and harm the good economic and political relations between Lithuania and Russia.

The telegram draws the attention of the Russian leadership to the fact that it is necessary first of all to observe the agreement about the supply of oil and gas, as well as the supply of raw materials and materials for the first quarter of 1992. In its turn, the Lithuanian Government guarantees to supply output as determined in the agreement, including electricity and foodstuffs.

Government Examines Interrupted Supplies

LD0102144792 Vilnius Radio Vilnius International Service in Lithuanian 2200 GMT 28 Jan 92

[Text] At today's meeting of the government's provisional commission for stabilization of the economic situation, it was stated that production within Lithuanian industry and other branches breaks down because of interrupted supplies from Russia and other countries of the Commonwealth of Independent States. However, possible reciprocal actions by Lithuania's industrial enterprise, in withholding supplies from Lithuania, would hardly be helpful, because many of the enterprises utilizing Lithuania's production are also standing idle.

The commission has decided to appeal to the "Litas" Committee with a proposal to introduce Lithuanian currency as soon as possible.

In the estimation of the commission members, the conditions for introduction of the Lithuanian monetary unit must be a matter for public discussion.

Meanwhile, faced with the breakdown of economic ties with partners in the East, Ministry of Economy experts are predicting that by the end of March 40,000-45,000 individuals could be out of work in enterprises regulated by that ministry alone, while production will be lowered by one-fifth. Lithuania's industrial enterprises are especially suffering because of shortages of metal, and primarily copper.

Recently, 1,500 individuals at the Vilnius "Elfa" Enterprise, 2,000 individuals at the Vilnius Radio Parts enterprise, and also 2,000 individuals at the Panevezys Plant have become unemployed.

A similar misfortune could soon overtake the "Ekranas" Plant in Panevezys; the Klaipeda Dry Elements Plant; the Kaunas Television Plant; electric motor and computer technology plants; the Plunge Plastics plant; and chemical, pharmaceutical, and light industry plants.

Economic Agreement Signed With EC

OW0302224992 Moscow BALTFAX in English 1905 GMT 3 Feb 92

[Transmitted by KYODO]

[Text] A trade and economic agreement between Lithuania and the European Community (EC) has been initialled in Brussels. Under the agreement, Lithuania and the EC are to extend a MFN [most-favored nation] status to each other making it possible to trade on a duty free basis. Lithuanian exports to the EC states will not be restricted. Lithuania's foreign economic relations minister Vytenis Aleskaitis believes his country can successfully export mineral fertilizers, cement, timber, certain metal goods, refrigerators, textiles etc.

The trade and economic agreement is to come into force upon its approval by the parliaments of Lithuania and the EC states. Lithuania is expected to ratify it in a week's time, and all 12 EC countries will follow suit within two months.

Procurator To Interview 'Putsch' Plotters

LD0202113692 Vilnius Radio Vilnius International Service in Lithuanian 0200 GMT 2 Feb 92

[Excerpt] Starting on 3 February, representatives of the Lithuanian General Procuracy who are currently working in Moscow will begin interviewing the putsch organizers and perpetrators on their role in attempting to topple Lithuania's legal authorities last January.

Senior criminal department prosecutor (Juozas Gailutis) told the newspaper RESPUBLIKA that considerable attempts were required when negotiating with the Russian Procuracy in order for the Lithuanian representatives to be able to question former Defense Minister Yazov, KGB chief Kryuchkov, and the Communist Party Central Committee secretary, Shenin.

Representatives working separately with the Lithuanian Procuracy on 31 January proposed to former President Gorbachev that he provide evidence relevant to the January events in Lithuania. No reply was received. [passage omitted]